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No. 99

## House of Representatives

The House met at 9:30 a.m. and was called to order by the Speaker pro tempore (Ms. EDWARDS of Maryland).

### DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,  
June 29, 2010.

I hereby appoint the Honorable DONNA F. EDWARDS to act as Speaker pro tempore on this day.

NANCY PELOSI,  
*Speaker of the House of Representatives.*

### MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 6, 2009, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 25 minutes and each Member, other than the majority and minority leaders and the minority whip, limited to 5 minutes, but in no event shall debate continue beyond 10:20 a.m.

### WALL STREET REFORM

The SPEAKER pro tempore. The Chair recognizes the gentleman from Virginia (Mr. CONNOLLY) for 5 minutes.

Mr. CONNOLLY of Virginia. Madam Speaker, it would be unconscionable for this Congress to fail to enact legislative protections for the Nation's consumers after the worst economic collapse in 80 years. We must pass Wall Street reform when it comes before the House hopefully later this week.

We know what happened without adequate oversight. Under the Bush administration and previous Republican Congresses, the large financial institu-

tions were granted free rein to undertake abusive, risky behavior, ultimately at great public expense. In the absence of well-enforced regulation, their reckless actions triggered the great recession, plunging millions of American families into economic chaos.

Starting in 2007 when the mortgage and credit crises hit, the recession accelerated in 2008 as the financial sector came perilously close to a complete collapse. Millions of Americans acutely felt that collapse through lost jobs, foreclosed homes, and the destruction of their personal savings. Collectively, Americans lost \$17.5 trillion worth of aggregate household wealth during that recession: college funds, retirement accounts, 401(k)s, and emergency nest eggs like that.

In the midst of this economic carnage, many of the financial institutions that precipitated the collapse had the chutzpah to turn to those same American families and ask for a bailout. For example, AIG received \$170 billion through 2008's TARP bill and the Federal Reserve, despite having engaged in a number of risky actions that led to its own predicament. AIG's unbridled pursuit of profit became America's pain. We must not allow that to happen again.

I support the visionary Wall Street reform that protects consumers from the abuses and deceptive practices that led to this crisis. It will create a consumer financial protection bureau that will consolidate consumer protections currently spread out inefficiently and ineffectively over seven different Federal agencies. The bureau will ensure transparency in financial products and transactions, providing consumers with greater information and protections on mortgages, credit cards, and other financial products.

Unscrupulous mortgage lenders no longer will be able to hoodwink prospective home buyers into home loans

that the home buyer cannot afford. Not only did that practice lead to individual homeowners suffering eventual foreclosures, but it drove down the equity in all homes as prices sunk and mortgage failures exacerbated the financial collapse.

I support Wall Street financial reform that properly regulates the risky aspects of the financial sector, finally bringing transparency to the shadowy world of derivatives. In 2006, the derivative markets bought and sold, and often repackaged, was worth \$668 trillion, that's with a T, an astonishingly high amount, and yet all traded virtually without oversight or regulation. The financial institutions that traded these derivatives did so in secret, and when the underlying assets failed, such as mortgage-backed securities, the financial sector was unprepared for the repercussions, and American families paid the price.

I support Wall Street reform that provides an orderly liquidation for financial institutions that fail at the institution's expense, not the taxpayers. That means never again will big banks receive taxpayer-funded bailouts. In the event of failure, large financial institutions must be prepared for an orderly wind down that does not cause additional strain to the overall economy and does not require taxpayer assistance. This reform ensures that the firms prepare liquidation plans ahead of time in case they are ever needed, and most importantly, Wall Street reform clearly states that taxpayers will never again have to fund a failing firm's bailout or liquidation costs.

Madam Speaker, the Wall Street reform before us accomplishes the goals of protecting consumers, providing transparency to previously unregulated markets, and ending too-big-to-fail taxpayer-funded bailouts. It finally provides the financial protections for consumers and homeowners that have been lacking for far too long. Wall

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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Street reform will help ensure that never again will American families be unprotected and left footing the bill for someone else's big mistake.

I strongly support Wall Street reform and encourage my colleagues to do so. Never again should private risk become public responsibility.

### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 10:30 a.m. today.

Accordingly (at 9 o'clock and 35 minutes a.m.), the House stood in recess until 10:30 a.m.

□ 1030

### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Ms. EDWARDS of Maryland) at 10 o'clock and 30 minutes a.m.

### PRAYER

Reverend Dr. Paul Powell, First Baptist Church, Tyler, Texas, offered the following prayer:

Our Father in Heaven, we bow our heads and our hearts before You today to recognize You as the maker of Heaven and Earth, and the author of our liberty. We thank You for the freedom we enjoy today.

Grant that these we have chosen to lead us may have the courage and the conviction to preserve that which is good from the past and to lead us wisely into the future. And may they ever be worthy of the trust we and You have placed in them.

We believe that righteousness exalts a nation, and so may justice and mercy and truth prevail throughout the land. Cause us always to look to You, to bow before You, and to humbly follow You is my prayer in Jesus' name. Amen.

### MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate agreed to the following resolution:

S. RES. 572

In the Senate of the United States, June 28, 2010.

Whereas the Honorable Robert C. Byrd served the people of his beloved state of West Virginia for over 63 years, serving in the West Virginia House of Delegates, the West Virginia Senate, the United States House of Representatives, and the United States Senate;

Whereas the Honorable Robert C. Byrd is the only West Virginian to have served in both Houses of the West Virginia Legislature and in both Houses of the United States Congress;

Whereas the Honorable Robert C. Byrd has served for fifty-one years in the United States Senate and is the longest serving Senator in history, having been elected to nine full terms;

Whereas the Honorable Robert C. Byrd has cast more than 18,680 rollcall votes—more than any other Senator in American history;

Whereas the Honorable Robert C. Byrd has served in the Senate leadership as President pro tempore, Majority Leader, Majority Whip, Minority Leader, and Secretary of the Majority Conference;

Whereas the Honorable Robert C. Byrd has served on a Senate committee, the Committee on Appropriations, which he has chaired during five Congresses, longer than any other Senator;

Whereas the Honorable Robert C. Byrd is the first Senator to have authored a comprehensive history of the United States Senate;

Whereas the Honorable Robert C. Byrd has played an essential role in the development and enactment of an enormous body of national legislative initiatives and policy over many decades; and

Whereas his death has deprived his State and Nation of an outstanding lawmaker and public servant: Now, therefore, be it

*Resolved*, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Robert C. Byrd, Senator from the State of West Virginia.

*Resolved*, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

*Resolved*, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased Senator.

The message also announced that the Senate has agreed to, with an amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 286. Concurrent resolution recognizing the 235th birthday of the United States Army.

The message also announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 3249. An act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reauthorize the predisaster hazard mitigation program and for other purposes.

### THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MELANCON. Madam Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MELANCON. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on approval of the Journal will be followed by a 5-minute vote on

suspending the rules and adopting House Resolution 1439.

The vote was taken by electronic device, and there were—yeas 219, nays 175, answered “present” 1, not voting 37, as follows:

[Roll No. 395]

YEAS—219

|              |                 |                  |
|--------------|-----------------|------------------|
| Ackerman     | Grayson         | Nadler (NY)      |
| Andrews      | Green, Al       | Napolitano       |
| Baca         | Green, Gene     | Neal (MA)        |
| Bachmann     | Grijalva        | Obey             |
| Baird        | Gutierrez       | Olver            |
| Baldwin      | Hall (NY)       | Ortiz            |
| Barrow       | Halvorson       | Pallone          |
| Bean         | Hare            | Pascarell        |
| Becerra      | Harman          | Pastor (AZ)      |
| Berman       | Harper          | Paulsen          |
| Berry        | Hastings (FL)   | Perlmutter       |
| Bishop (GA)  | Heinrich        | Pingree (ME)     |
| Bishop (NY)  | Herseth Sandlin | Polis (CO)       |
| Blumenauer   | Higgins         | Pomeroy          |
| Boren        | Hill            | Posey            |
| Boucher      | Hinchev         | Price (NC)       |
| Boyd         | Hinojosa        | Quigley          |
| Brady (PA)   | Hirono          | Rahall           |
| Braley (IA)  | Holden          | Rangel           |
| Butterfield  | Holt            | Reyes            |
| Calvert      | Honda           | Richardson       |
| Capps        | Hoyer           | Rodriguez        |
| Capuano      | Inslie          | Ross             |
| Cardoza      | Israel          | Rothman (NJ)     |
| Carnahan     | Jackson (IL)    | Roybal-Allard    |
| Carson (IN)  | Jackson Lee     | Ruppersberger    |
| Castle       | (TX)            | Ryan (OH)        |
| Castor (FL)  | Johnson (GA)    | Salazar          |
| Chaffetz     | Johnson, E. B.  | Sánchez, Linda   |
| Chandler     | Kanjorski       | T.               |
| Chu          | Kaptur          | Sanchez, Loretta |
| Clarke       | Kennedy         | Sarbanes         |
| Clay         | Kildee          | Schakowsky       |
| Cleaver      | Kilpatrick (MI) | Schauer          |
| Clyburn      | Kind            | Schiff           |
| Conyers      | Kissell         | Schrader         |
| Cooper       | Klein (FL)      | Schwartz         |
| Costello     | Kosmas          | Scott (GA)       |
| Courtney     | Kratovil        | Scott (VA)       |
| Crowley      | Kucinich        | Serrano          |
| Cuellar      | Larsen (WA)     | Sestak           |
| Cummings     | Larson (CT)     | Shea-Porter      |
| Dahlkemper   | LaTourette      | Sherman          |
| Davis (AL)   | Lee (CA)        | Sires            |
| Davis (CA)   | Levin           | Skelton          |
| Davis (IL)   | Lewis (GA)      | Slaughter        |
| Davis (TN)   | Loebach         | Smith (WA)       |
| DeFazio      | Lofgren, Zoe    | Snyder           |
| DeGette      | Lowe            | Space            |
| DeLauro      | Luján           | Speier           |
| Dent         | Lynch           | Spratt           |
| Deutch       | Maloney         | Stark            |
| Dicks        | Markey (MA)     | Tanner           |
| Dingell      | Marshall        | Teague           |
| Doggett      | Matheson        | Thompson (MS)    |
| Doyle        | Matsui          | Tierney          |
| Driehaus     | McCarthy (NY)   | Titus            |
| Edwards (MD) | McClintock      | Tonko            |
| Edwards (TX) | McCollum        | Towns            |
| Ellison      | McDermott       | Tsongas          |
| Eshoo        | McGovern        | Van Hollen       |
| Etheridge    | McIntyre        | Velázquez        |
| Farr         | McMahon         | Visclosky        |
| Fattah       | McNerney        | Walz             |
| Filner       | Meek (FL)       | Wasserman        |
| Fortenberry  | Meeks (NY)      | Schultz          |
| Foster       | Melancon        | Waters           |
| Frank (MA)   | Michaud         | Watson           |
| Fudge        | Miller (NC)     | Watt             |
| Garamendi    | Miller, George  | Waxman           |
| Gonzalez     | Mollohan        | Weiner           |
| Goodlatte    | Moore (KS)      | Welch            |
| Gordon (TN)  | Murphy (CT)     | Wilson (OH)      |
| Graves (MO)  | Murphy, Patrick | Yarmuth          |

NAYS—175

|              |             |              |
|--------------|-------------|--------------|
| Aderholt     | Bilirakis   | Brown (SC)   |
| Adler (NJ)   | Bishop (UT) | Brown-Waite, |
| Akin         | Blackburn   | Ginny        |
| Alexander    | Blunt       | Buchanan     |
| Altmire      | Boccheri    | Burgess      |
| Arcuri       | Bonner      | Buyer        |
| Austria      | Bono Mack   | Camp         |
| Bachus       | Boozman     | Campbell     |
| Barrett (SC) | Boustany    | Cantor       |
| Bartlett     | Brady (TX)  | Capito       |
| Biggart      | Bright      | Carney       |
| Bilbray      | Broun (GA)  | Carter       |

|                 |                  |               |
|-----------------|------------------|---------------|
| Cassidy         | Kirkpatrick (AZ) | Platts        |
| Childers        | Kline (MN)       | Price (GA)    |
| Coble           | Lamborn          | Radanovich    |
| Coffman (CO)    | Lance            | Rehberg       |
| Cole            | Latham           | Reichert      |
| Conaway         | Latta            | Roe (TN)      |
| Connolly (VA)   | Lee (NY)         | Rogers (AL)   |
| Crenshaw        | Lewis (CA)       | Rogers (KY)   |
| Critz           | Linder           | Rogers (MI)   |
| Davis (KY)      | LoBiondo         | Rohrabacher   |
| Diaz-Balart, L. | Lucas            | Rooney        |
| Diaz-Balart, M. | Luetkemeyer      | Ros-Lehtinen  |
| Djou            | Lummis           | Roskam        |
| Donnelly (IN)   | Lungren, Daniel  | Royce         |
| Dreier          | E.               | Ryan (WI)     |
| Duncan          | Mack             | Scalise       |
| Ehlers          | Manzullo         | Schmidt       |
| Emerson         | Marchant         | Schock        |
| Flake           | Markey (CO)      | Sensenbrenner |
| Fleming         | McCarthy (CA)    | Sessions      |
| Forbes          | McCauley         | Shadegg       |
| Fox             | McCotter         | Shimkus       |
| Franks (AZ)     | McHenry          | Shuler        |
| Frelinghuysen   | McKeon           | Shuster       |
| Gallely         | McMorris         | Simpson       |
| Garrett (NJ)    | Rodgers          | Smith (NE)    |
| Gerlach         | Mica             | Smith (NJ)    |
| Gingrey (GA)    | Miller (FL)      | Smith (TX)    |
| Granger         | Miller (MI)      | Stearns       |
| Graves (GA)     | Miller, Gary     | Stupak        |
| Guthrie         | Minnick          | Sullivan      |
| Hall (TX)       | Mitchell         | Terry         |
| Hastings (WA)   | Moran (KS)       | Thompson (CA) |
| Heller          | Murphy (NY)      | Thompson (PA) |
| Hensarling      | Murphy, Tim      | Thornberry    |
| Herger          | Myrick           | Tiberi        |
| Himes           | Neugebauer       | Turner        |
| Hunter          | Nunes            | Upton         |
| Inglis          | Nye              | Walden        |
| Issa            | Olson            | Westmoreland  |
| Jenkins         | Owens            | Whitfield     |
| Johnson, Sam    | Paul             | Wilson (SC)   |
| Jones           | Pence            | Wittman       |
| Jordan (OH)     | Perriello        | Wolf          |
| Kilroy          | Peters           | Wu            |
| King (IA)       | Peterson         | Young (FL)    |
| King (NY)       | Petri            |               |
| Kingston        | Pitts            |               |

## ANSWERED "PRESENT"—1

Gohmert

## NOT VOTING—37

|                |              |            |
|----------------|--------------|------------|
| Barton (TX)    | Fallin       | Oberstar   |
| Berkley        | Giffords     | Payne      |
| Boehner        | Griffith     | Poe (TX)   |
| Boswell        | Hodes        | Putnam     |
| Brown, Corrine | Hoekstra     | Rush       |
| Burton (IN)    | Johnson (IL) | Sutton     |
| Cao            | Kagen        | Taylor     |
| Cohen          | Kirk         | Tiahrt     |
| Costa          | Langevin     | Wamp       |
| Culberson      | Lipinski     | Woolsey    |
| Delahunt       | Maffei       | Young (AK) |
| Ellsworth      | Moore (WI)   |            |
| Engel          | Moran (VA)   |            |

□ 1100

Messrs. ALTMIRE, SMITH of Texas, CONAWAY, and PETRI, and Ms. KILROY and Mrs. LUMMIS changed their vote from "yea" to "nay."

Mr. GRAVES of Missouri changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

Stated against:

Mr. TIAHRT. Madam Speaker, on rollcall No. 395 I was unavoidably detained. Had I been present, I would have voted "no."

## MOMENT OF SILENCE IN REMEMBRANCE OF THE LATE HONORABLE ROBERT C. BYRD

(Mr. RAHALL asked and was given permission to address the House for 1 minute.)

Mr. RAHALL. Madam Speaker, as we all know, the country and our State of West Virginia has lost a true public

servant. He was a dear friend to many of us. He was an individual who defended our Constitution and an individual who truly had the best interests of the American people in mind every day.

I would ask that the House take a moment of silent prayer on behalf of the late Honorable senior Senator from West Virginia, ROBERT C. BYRD.

The SPEAKER pro tempore. Members will rise and observe a moment of silence.

## CONGRATULATING THE CHICAGO BLACKHAWKS

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 1439) congratulating the Chicago Blackhawks on winning the 2010 Stanley Cup Championship, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from the District of Columbia (Ms. NORTON) that the House suspend the rules and agree to the resolution.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 395, nays 5, answered "present" 1, not voting 31, as follows:

[Roll No. 396]

## YEAS—395

|              |               |                 |
|--------------|---------------|-----------------|
| Ackerman     | Brown-Waite,  | Cummings        |
| Aderholt     | Ginny         | Dahlkemper      |
| Akin         | Buchanan      | Davis (AL)      |
| Alexander    | Burgess       | Davis (CA)      |
| Altmire      | Butterfield   | Davis (IL)      |
| Arcuri       | Buyer         | Davis (KY)      |
| Austria      | Calvert       | Davis (TN)      |
| Baca         | Camp          | DeFazio         |
| Bachmann     | Campbell      | DeGette         |
| Bachus       | Cantor        | DeLauro         |
| Baird        | Capito        | Dent            |
| Baldwin      | Capps         | Deutch          |
| Barrett (SC) | Capuano       | Diaz-Balart, L. |
| Barrow       | Cardoza       | Diaz-Balart, M. |
| Bartlett     | Carnahan      | Dicks           |
| Barton (TX)  | Carney        | Dingell         |
| Bean         | Carson (IN)   | Djou            |
| Becerra      | Carter        | Doggett         |
| Berman       | Cassidy       | Donnelly (IN)   |
| Biggart      | Castle        | Doyle           |
| Bilbray      | Castor (FL)   | Dreier          |
| Bilirakis    | Chandler      | Driehaus        |
| Bishop (GA)  | Childers      | Duncan          |
| Bishop (NY)  | Chu           | Edwards (MD)    |
| Bishop (UT)  | Clarke        | Edwards (TX)    |
| Blackburn    | Clay          | Ehlers          |
| Blumenauer   | Cleaver       | Ellison         |
| Blunt        | Clyburn       | Emerson         |
| Boccieri     | Coble         | Eshoo           |
| Bonner       | Coffman (CO)  | Etheridge       |
| Bono Mack    | Cole          | Farr            |
| Boozman      | Conaway       | Fattah          |
| Boren        | Connolly (VA) | Filner          |
| Boucher      | Conyers       | Flake           |
| Boustany     | Cooper        | Fleming         |
| Boyd         | Costa         | Forbes          |
| Brady (PA)   | Costello      | Fortenberry     |
| Brady (TX)   | Courtney      | Foster          |
| Bralley (IA) | Crenshaw      | Fox             |
| Bright       | Critz         | Frank (MA)      |
| Broun (GA)   | Crowley       | Franks (AZ)     |
| Brown (SC)   | Cuellar       | Frelinghuysen   |

|                  |                 |                  |
|------------------|-----------------|------------------|
| Fudge            | Luetkemeyer     | Rogers (MI)      |
| Gallely          | Lujan           | Rohrabacher      |
| Garamendi        | Lummis          | Ros-Lehtinen     |
| Garrett (NJ)     | Lungren, Daniel | Roskam           |
| Gerlach          | E.              | Ross             |
| Gohmert          | Lynch           | Rothman (NJ)     |
| Gonzalez         | Mack            | Roybal-Allard    |
| Goodlatte        | Maffei          | Royce            |
| Gordon (TN)      | Maloney         | Ruppersberger    |
| Granger          | Manzullo        | Ryan (OH)        |
| Graves (GA)      | Marchant        | Ryan (WI)        |
| Graves (MO)      | Markey (CO)     | Salazar          |
| Grayson          | Markey (MA)     | Sánchez, Linda   |
| Green, Al        | Marshall        | T.               |
| Green, Gene      | Matheson        | Sanchez, Loretta |
| Grijalva         | Matsui          | Sarbanes         |
| Guthrie          | McCarthy (CA)   | Scalise          |
| Gutierrez        | McCarthy (NY)   | Schakowsky       |
| Hall (NY)        | McCauley        | Schauer          |
| Hall (TX)        | McClintock      | Schiff           |
| Halvorson        | McCollum        | Schmidt          |
| Hare             | McCotter        | Schock           |
| Harman           | McDermott       | Schrader         |
| Harper           | McGovern        | Schwartz         |
| Hastings (FL)    | McHenry         | Scott (GA)       |
| Hastings (WA)    | McIntyre        | Scott (VA)       |
| Heinrich         | McKeon          | Sensenbrenner    |
| Heller           | McMahon         | Serrano          |
| Hensarling       | McMorris        | Sessions         |
| Herger           | Rodgers         | Sestak           |
| Herseth Sandlin  | McNerney        | Shadegg          |
| Higgins          | Meek (FL)       | Shea-Porter      |
| Hill             | Meeks (NY)      | Sherman          |
| Himes            | Melancon        | Shimkus          |
| Hinche           | Mica            | Shuler           |
| Hinojosa         | Michaud         | Shuster          |
| Hirono           | Miller (FL)     | Simpson          |
| Holden           | Miller (MI)     | Sires            |
| Holt             | Miller (NC)     | Skelton          |
| Honda            | Miller, Gary    | Slaughter        |
| Hoyer            | Miller, George  | Smith (NE)       |
| Hunter           | Minnick         | Smith (NJ)       |
| Inglis           | Mitchell        | Smith (TX)       |
| Inslee           | Mollohan        | Smith (WA)       |
| Israel           | Moore (KS)      | Snyder           |
| Issa             | Moran (KS)      | Space            |
| Jackson (IL)     | Murphy (CT)     | Speier           |
| Jackson Lee      | Murphy (NY)     | Spratt           |
| (TX)             | Murphy, Patrick | Stark            |
| Jenkins          | Murphy, Tim     | Stearns          |
| Johnson (GA)     | Myrick          | Stupak           |
| Johnson, E. B.   | Nadler (NY)     | Sullivan         |
| Johnson, Sam     | Napolitano      | Sutton           |
| Jones            | Neal (MA)       | Tanner           |
| Jordan (OH)      | Neugebauer      | Teague           |
| Kagen            | Nunes           | Terry            |
| Kanjorski        | Obey            | Thompson (CA)    |
| Kaptur           | Olson           | Thompson (MS)    |
| Kennedy          | Ortiz           | Thompson (PA)    |
| Kildee           | Owens           | Thornberry       |
| Kilpatrick (MI)  | Pallone         | Tiahrt           |
| Kilroy           | Pascarella      | Tiberi           |
| Kind             | Pastor (AZ)     | Tierney          |
| King (IA)        | Paul            | Titus            |
| King (NY)        | Paulsen         | Tonko            |
| Kingston         | Pence           | Towns            |
| Kirkpatrick (AZ) | Perlmutter      | Tsongas          |
| Kissell          | Perriello       | Turner           |
| Klein (FL)       | Peters          | Upton            |
| Kline (MN)       | Peterson        | Van Hollen       |
| Kosmas           | Petri           | Velázquez        |
| Kratovil         | Pingree (ME)    | Visclosky        |
| Kucinich         | Pitts           | Walden           |
| Lamborn          | Platts          | Walz             |
| Lance            | Poe (TX)        | Wasserman        |
| Langevin         | Polis (CO)      | Schultz          |
| Larsen (WA)      | Pomeroy         | Waters           |
| Larson (CT)      | Posey           | Watson           |
| Latham           | Price (GA)      | Watt             |
| LaTourette       | Price (NC)      | Waxman           |
| Latta            | Quigley         | Weiner           |
| Lee (CA)         | Radanovich      | Welch            |
| Lee (NY)         | Rahall          | Westmoreland     |
| Levin            | Rangel          | Whitfield        |
| Lewis (CA)       | Rehberg         | Wilson (OH)      |
| Lewis (GA)       | Reichert        | Wilson (SC)      |
| Linder           | Reyes           | Wittman          |
| LoBiondo         | Richardson      | Wolf             |
| Loeb             | Rodriguez       | Wu               |
| Lofgren, Zoe     | Roe (TN)        | Yarmuth          |
| Lowey            | Rogers (AL)     | Young (FL)       |
| Lucas            | Rogers (KY)     |                  |

## NAYS—5

|            |       |        |
|------------|-------|--------|
| Adler (NJ) | Berry | Rooney |
| Andrews    | Nye   |        |

ANSWERED "PRESENT"—1

Chaffetz

## NOT VOTING—31

|                |              |            |
|----------------|--------------|------------|
| Berkley        | Fallin       | Oberstar   |
| Boehner        | Giffords     | Oliver     |
| Boswell        | Gingrey (GA) | Payne      |
| Brown, Corrine | Griffith     | Putnam     |
| Burton (IN)    | Hodes        | Rush       |
| Cao            | Hoekstra     | Taylor     |
| Cohen          | Johnson (IL) | Wamp       |
| Culberson      | Kirk         | Woolsey    |
| Delahunt       | Lipinski     | Young (AK) |
| Ellsworth      | Moore (WI)   |            |
| Engel          | Moran (VA)   |            |

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1110

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## MOTION TO ADJOURN

Mr. BROUN of Georgia. Madam Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. BROUN of Georgia. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 23, nays 379, not voting 30, as follows:

[Roll No. 397]

## YEAS—23

|              |              |                  |
|--------------|--------------|------------------|
| Bartlett     | Gohmert      | Miller, George   |
| Bishop (UT)  | Graves (GA)  | Olson            |
| Broun (GA)   | Heller       | Paul             |
| Chaffetz     | Hunter       | Posey            |
| Flake        | Johnson, Sam | Price (GA)       |
| Foxx         | King (IA)    | Sanchez, Loretta |
| Garrett (NJ) | Lummis       | Tiahrt           |
| Gingrey (GA) | Maffei       |                  |

## NAYS—379

|              |              |                 |
|--------------|--------------|-----------------|
| Ackerman     | Boozman      | Chu             |
| Aderholt     | Boren        | Clarke          |
| Adler (NJ)   | Boucher      | Clay            |
| Akin         | Boustany     | Clyburn         |
| Alexander    | Boyd         | Coble           |
| Altmire      | Brady (PA)   | Coffman (CO)    |
| Andrews      | Brady (TX)   | Cole            |
| Arcuri       | Braley (IA)  | Conaway         |
| Austria      | Bright       | Connolly (VA)   |
| Baca         | Brown (SC)   | Conyers         |
| Bachmann     | Brown-Waite, | Cooper          |
| Bachus       | Ginny        | Costa           |
| Baird        | Buchanan     | Costello        |
| Baldwin      | Burgess      | Courtney        |
| Barrett (SC) | Butterfield  | Crenshaw        |
| Barrow       | Buyer        | Critz           |
| Barton (TX)  | Calvert      | Crowley         |
| Bean         | Camp         | Cuellar         |
| Becerra      | Campbell     | Culberson       |
| Berman       | Cantor       | Cummings        |
| Berry        | Capito       | Dahlkemper      |
| Biggert      | Capps        | Davis (AL)      |
| Bilbray      | Capuano      | Davis (CA)      |
| Bilirakis    | Cardoza      | Davis (IL)      |
| Bishop (GA)  | Carnahan     | Davis (KY)      |
| Bishop (NY)  | Carney       | Davis (TN)      |
| Blackburn    | Carson (IN)  | DeFazio         |
| Blumenauer   | Carter       | DeGette         |
| Blunt        | Cassidy      | DeLauro         |
| Bocchieri    | Castle       | Dent            |
| Boehner      | Castor (FL)  | Deutch          |
| Bonner       | Chandler     | Diaz-Balart, L. |
| Bono Mack    | Childers     | Diaz-Balart, M. |

|                  |                 |
|------------------|-----------------|
| Dicks            | Larson (CT)     |
| Dingell          | Latham          |
| Djou             | LaTourette      |
| Doggett          | Latta           |
| Donnelly (IN)    | Lee (CA)        |
| Doyle            | Lee (NY)        |
| Dreier           | Levin           |
| Driehaus         | Lewis (CA)      |
| Duncan           | Lewis (GA)      |
| Edwards (MD)     | Linder          |
| Edwards (TX)     | LoBiondo        |
| Ehlers           | Loeb sack       |
| Ellison          | Lofgren, Zoe    |
| Emerson          | Lowe y          |
| Eshoo            | Lucas           |
| Etheridge        | Luetkemeyer     |
| Farr             | Lujan           |
| Fattah           | Lungren, Daniel |
| Filner           | E.              |
| Fleming          | Lynch           |
| Forbes           | Mack            |
| Fortenberry      | Maloney         |
| Foster           | Manzullo        |
| Frank (MA)       | Marchant        |
| Franks (AZ)      | Markey (CO)     |
| Frelinghuysen    | Markey (MA)     |
| Fudge            | Marshall        |
| Gallely          | Matheson        |
| Garamendi        | Matsui          |
| Gerlach          | McCarthy (CA)   |
| Gonzalez         | McCarthy (NY)   |
| Goodlatte        | McCaul          |
| Gordon (TN)      | McClintock      |
| Granger          | McCollum        |
| Graves (MO)      | McCotter        |
| Grayson          | McDermott       |
| Green, Al        | McGovern        |
| Green, Gene      | McHenry         |
| Grijalva         | McIntyre        |
| Guthrie          | McKeon          |
| Gutierrez        | McMahon         |
| Hall (NY)        | McMorris        |
| Hall (TX)        | Rodgers         |
| Halvorson        | McNerney        |
| Hare             | Meek (FL)       |
| Harman           | Meeks (NY)      |
| Harper           | Melancon        |
| Hastings (FL)    | Mica            |
| Hastings (WA)    | Michaud         |
| Heinrich         | Miller (FL)     |
| Hensarling       | Miller (MI)     |
| Herger           | Miller (NC)     |
| Herseth Sandlin  | Miller, Gary    |
| Higgins          | Minnick         |
| Hill             | Mitchell        |
| Himes            | Mollohan        |
| Hinchey          | Moore (KS)      |
| Hinojosa         | Moran (KS)      |
| Hirono           | Murphy (CT)     |
| Holden           | Murphy (NY)     |
| Holt             | Murphy, Patrick |
| Honda            | Murphy, Tim     |
| Hoyer            | Myrick          |
| Inglis           | Nadler (NY)     |
| Inslee           | Napolitano      |
| Israel           | Neal (MA)       |
| Issa             | Neugebauer      |
| Jackson (IL)     | Nunes           |
| Jackson Lee      | Nye             |
| (TX)             | Obey            |
| Jenkins          | Oliver          |
| Johnson (GA)     | Ortiz           |
| Johnson, E. B.   | Owens           |
| Jones            | Pallone         |
| Jordan (OH)      | Pascarell       |
| Kagen            | Pastor (AZ)     |
| Kanjorski        | Paulsen         |
| Kaptur           | Pence           |
| Kennedy          | Perlmutter      |
| Kildee           | Perriello       |
| Kilpatrick (MI)  | Peters          |
| Kilroy           | Peterson        |
| Kind             | Petri           |
| King (NY)        | Pingree (ME)    |
| Kingston         | Pitts           |
| Kirkpatrick (AZ) | Platts          |
| Kissell          | Poe (TX)        |
| Klein (FL)       | Polis (CO)      |
| Kline (MN)       | Pomeroy         |
| Kosmas           | Price (NC)      |
| Kratovil         | Quigley         |
| Kucinich         | Radanovich      |
| Lamborn          | Rahall          |
| Lance            | Rehberg         |
| Langevin         | Reichert        |
| Larsen (WA)      | Reyes           |

|                |                |
|----------------|----------------|
| Richardson     | Rodriguez      |
| Roe (TN)       | Roe (TN)       |
| Rogers (AL)    | Rogers (AL)    |
| Rogers (KY)    | Rogers (KY)    |
| Rogers (MI)    | Rogers (MI)    |
| Rohrabacher    | Rohrabacher    |
| Rooney         | Rooney         |
| Ros-Lehtinen   | Ros-Lehtinen   |
| Roskam         | Roskam         |
| Ross           | Ross           |
| Rothman (NJ)   | Rothman (NJ)   |
| Roybal-Allard  | Roybal-Allard  |
| Royce          | Royce          |
| Ruppersberger  | Ruppersberger  |
| Ryan (OH)      | Ryan (OH)      |
| Ryan (WI)      | Ryan (WI)      |
| Salazar        | Salazar        |
| Sánchez, Linda | Sánchez, Linda |
| T.             | T.             |
| Sarbanes       | Sarbanes       |
| Scalise        | Scalise        |
| Schakowsky     | Schakowsky     |
| Schauer        | Schauer        |
| Schiff         | Schiff         |
| Schmidt        | Schmidt        |
| Schock         | Schock         |
| Schrader       | Schrader       |
| Schwartz       | Schwartz       |
| Scott (GA)     | Scott (GA)     |
| Scott (VA)     | Scott (VA)     |
| Sensenbrenner  | Sensenbrenner  |
| Serrano        | Serrano        |
| Sessions       | Sessions       |
| Sestak         | Sestak         |
| Shadegg        | Shadegg        |
| Shea-Porter    | Shea-Porter    |
| Sherman        | Sherman        |
| Shimkus        | Shimkus        |
| Shuler         | Shuler         |
| Shuster        | Shuster        |
| Simpson        | Simpson        |
| Sires          | Sires          |
| Skelton        | Skelton        |
| Slaughter      | Slaughter      |
| Smith (NE)     | Smith (NE)     |
| Smith (NJ)     | Smith (NJ)     |
| Smith (WA)     | Smith (WA)     |
| Snyder         | Snyder         |
| Space          | Space          |
| Speier         | Speier         |
| Spratt         | Spratt         |
| Stark          | Stark          |
| Stearns        | Stearns        |
| Stupak         | Stupak         |
| Sullivan       | Sullivan       |
| Sutton         | Sutton         |
| Tanner         | Tanner         |
| Teague         | Teague         |
| Terry          | Terry          |
| Thompson (CA)  | Thompson (CA)  |
| Thompson (MS)  | Thompson (MS)  |
| Thompson (PA)  | Thompson (PA)  |
| Thornberry     | Thornberry     |
| Tiberi         | Tiberi         |
| Tierney        | Tierney        |
| Titus          | Titus          |
| Tonko          | Tonko          |
| Towns          | Towns          |
| Tsongas        | Tsongas        |
| Turner         | Turner         |
| Upton          | Upton          |
| Van Hollen     | Van Hollen     |
| Velázquez      | Velázquez      |
| Viscosky       | Viscosky       |
| Walden         | Walden         |
| Walz           | Walz           |
| Wasserman      | Wasserman      |
| Schultz        | Schultz        |
| Waters         | Waters         |
| Watson         | Watson         |
| Watt           | Watt           |
| Waxman         | Waxman         |
| Weiner         | Weiner         |
| Welch          | Welch          |
| Westmoreland   | Westmoreland   |
| Whitfield      | Whitfield      |
| Wilson (OH)    | Wilson (OH)    |
| Wilson (SC)    | Wilson (SC)    |
| Wittman        | Wittman        |
| Wolf           | Wolf           |
| Wu             | Wu             |
| Yarmuth        | Yarmuth        |
| Young (FL)     | Young (FL)     |

## NOT VOTING—30

|                |              |            |
|----------------|--------------|------------|
| Berkley        | Fallin       | Oberstar   |
| Boswell        | Giffords     | Payne      |
| Brown, Corrine | Griffith     | Putnam     |
| Burton (IN)    | Hodes        | Rangel     |
| Cao            | Hoekstra     | Rush       |
| Cleaver        | Johnson (IL) | Smith (TX) |
| Cohen          | Kirk         | Taylor     |
| Delahunt       | Lipinski     | Wamp       |
| Ellsworth      | Moore (WI)   | Woolsey    |
| Engel          | Moran (VA)   | Young (AK) |

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining.

□ 1128

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

## PERSONAL EXPLANATION

Mr. JOHNSON of Illinois. Madam Speaker, unfortunately this morning, Tuesday, June 29th, I was unable to cast my votes on Approving the Journal, H. Res. 1439, and on the Motion to Adjourn and wish the RECORD to reflect my intentions had I been able to vote. Last night I was conducting a town hall meeting at the Philo City Hall in Philo, Illinois and was unable to catch an airplane that would get me to Washington, DC in time for the 10:30 a.m. votes.

Had I been present on rollcall No. 395 on Approving the Journal, I would have voted "aye."

Had I been present on rollcall No. 396 on suspending the rules and passing H. Res. 1439, Congratulating the Chicago Blackhawks on winning the 2010 Stanley Cup Championship, I would have voted "aye."

Had I been present of rollcall No. 397 on the Motion to Adjourn, I would have voted "aye."

## PERSONAL EXPLANATION

Mr. BOSWELL. Madam Speaker, I regret missing morning votes in the House on June 29th due to a flight cancellation. Had I been present, I would have voted "aye" on rollcall votes 395 and 396 and "nay" or rollcall vote 397, and I ask that my statement be placed in the appropriate place in the RECORD to reflect this.

## PERSONAL EXPLANATION

Ms. GIFFORDS. Madam Speaker, today I was absent and missed rollcall votes 395, 396, and 397.

Had I been present, I would have voted "aye" on rollcall 395, "aye" on rollcall 396, and "nay" on 397.

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) come forward and lead the House in the Pledge of Allegiance.

Ms. EDDIE BERNICE JOHNSON of Texas led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND DR.  
PAUL W. POWELL

The SPEAKER pro tempore. Without objection, the gentleman from Texas (Mr. GOHMERT) is recognized for 1 minute.

There was no objection.

Mr. GOHMERT. Madam Speaker, our guest chaplain today has been Reverend Dr. Paul W. Powell. He is retired dean of Baylor University's Truett Theological Seminary and is a distinguished graduate of both Baylor and Southwestern Baptist Theological Seminary. He has also been the president of the Southern Baptist Annuity Board and Baptist General Convention of Texas, along with a vast array of offices with many charitable institutions too numerous to mention.

He is an author of 36 books and has been pastor of churches all over Texas and spanned two decades as pastor of Green Acres Baptist Church in Tyler, Texas, leading our church from about 700 members to over 7,000, where it fed and clothed the poor through founding the Good Samaritan Outreach Center and People Attempting to Help. Under his direction, our church began Hispanic church ministries, a Korean church ministry, dental and medical outreach ministries, as well as churches in Mexico, Belize, and many other places. Green Acres became the largest single donor to missions in the entire Southern Baptist Convention.

He and his wife, Cathy, have three children: Kent, Mike, and Lori; and three grandchildren: Jordan, Katie, and Matthew.

He is now the interim pastor of First Baptist Church in Tyler. He brings wisdom, accountability, growth, life, and light wherever he serves and truly has a heart after God's own. Seeking always to serve, he has been pastor, dean, president, chairman, director, officer, trustee of so many entities, but of most importance to me, he has been a friend, mentor, confidant, encourager, and inspiration.

May God bless Paul Powell and his family.

□ 1130

#### JOBS AND THE ECONOMY

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to address the House for 1 minute.)

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, we continue to see a growing sign of economic recovery resulting from the economic policies of the Democratic Congress and the Obama administration responding to the Bush recession and the worst financial crisis since the Great Depression. More must be done to create jobs and save jobs, but the latest signs of recovery include: Industrial production has increased a cumulative 8.1 percent during the last 11 months, the largest 11-month gain since 1997.

Total industrial production rose 1.2 percent in May. The increase, slightly

above market expectations, was led by a strong .9 percent growth in manufacturing output. Industrial production has grown at a rate of 7.4 percent annually for this past quarter, on the heels of 7.6 percent annualized growth in the first quarter.

Madam Speaker, we are on our way in the right direction.

#### ADOPTION OF THE BUDGET

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Madam Speaker, when I'm home in the Fifth District of North Carolina, folks tell me they're concerned about the debt, the deficit, and job loss.

What's the reaction of those in charge of Congress?

Well, they canceled the adoption of the budget. House Democrats have failed in their responsibility to lead by not proposing or passing a 2011 budget resolution. The House has never failed to pass an annual budget resolution since the current budget rules were put in place in 1974.

In 2006, then House Whip, Steny Hoyer, now House majority leader, said the most basic responsibility of governing is enacting a budget. Where's that responsibility now?

They plan a deeming resolution later in the week. That is not a substitute for a budget.

Democrat jobs bills have failed to create jobs. Democrats continue to spend at a near record pace. Through the first 8 months of the current fiscal year, the Federal Government amassed \$935 billion in deficit spending on track to an annual deficit approaching last year's record \$1.4 trillion.

#### PUTTING PEOPLE BACK TO WORK

(Ms. KILPATRICK of Michigan asked and was given permission to address the House for 1 minute.)

Ms. KILPATRICK of Michigan. Madam Speaker, I rise to talk about the emergency that our country is in. Over 15 million Americans are unemployed, unemployed presently and unemployed in the last three years. Many more are long-term unemployed. We need an emergency bill that will put people back to work.

In the 1970s and 1980s, President Reagan, President Carter started what was called the Comprehensive Employment Training Act, or CETA, put \$50 million in it, and hired 20 million Americans across the country. We need such a jobs bill today.

This Congress has done some things. The President has worked with us, and we've passed legislation and bills that helped small businesses to hire and to get tax incentives. But what America needs is to address the emergency now.

Home sales are down. Foreclosures are up. Americans want to work. It's our responsibility that we help them do so.

Today, let's pass a real jobs bill similar to the CETA Comprehensive Employment Training Act.

Is it an emergency? Yes, it is. Should it be offset? Are the American people an emergency? I believe that they are.

#### USC COLLEGE WORLD SERIES

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Madam Speaker, congratulations to the University of South Carolina's baseball team for a spectacular showing in the College World Series at Omaha, Nebraska.

The journey to this point hasn't been the easiest for the Gamecocks. The team overcame an opening loss and then won four consecutive games for the finals. Gamecocks proved persistent. The USA Today headline says "South Carolina in command after Game 1 victory."

I'm very proud of the way these student athletes are representing the University of South Carolina on the national stage. Whit Merrifield, first cousin of congressional staffer Melissa Hite of Irmo, withstood a hard collision in South Carolina's victory on Saturday and stayed in the game, ultimately bumping his average to .300 in the College World Series.

And talk about stats. Lead-off hitter Evan Marzilli has an impressive .378 batting average, to always start things off right. Second District resident Blake Cooper last night was MVP, with an outstanding defeat over UCLA in championship game one.

Congratulations to USC Coach Ray Tanner for his leadership and determination.

#### HONORING WEST MESA HIGH SCHOOL IN ALBUQUERQUE, NEW MEXICO

(Mr. HEINRICH asked and was given permission to address the House for 1 minute.)

Mr. HEINRICH. Madam Speaker, I rise today in honor of West Mesa High School in Albuquerque, New Mexico, which was recently selected as one of America's best high schools by Newsweek magazine.

Since 1966, West Mesa High School has been the heart of Albuquerque's west side. Recently the school was a great partner when they hosted one of my job fairs, as well as my service academy nomination information night.

Last year the school had an outstanding 75 percent of its students enrolled in at least one advanced placement course, the kind of rigorous classes that push students to achieve their potential and lead our Nation in the 21st century.

The late educator, Jaime Escalante, associated with the film "Stand and Deliver," told his students, You do not enter the future; you create the future.

I want to thank the West Mesa Mustangs for pushing themselves and for creating a bright future for themselves and for our community. Again, congratulations on this well-deserved recognition.

#### HEALTHCARE AT THREE MONTHS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Madam Speaker, you may remember that the American people were told that Congress had to pass the health care bill so they could find out what was in it.

After 3 months, the American people have found out what was in the new law, and they still don't like it. The latest Rasmussen poll from just this week shows that 55 percent oppose the law. And they have good reasons to be upset.

New HHS rules published just a few weeks ago will mean that many companies and individuals will be forced to change to plans that meet the government's new standards. So much for "if you like your plan you can keep it," as the President said.

For seniors, CBO reports that half of all Medicare Advantage plans will end in the coming years. Seniors who were receiving vision and dental coverage on these plans will now be forced to buy costly supplemental coverage. The more layers we peel away, the less there is to like about ObamaCare.

#### JOBS AND THE ECONOMY

(Mr. CARDOZA asked and was given permission to address the House for 1 minute.)

Mr. CARDOZA. Congressional Republicans threaten to take us back to the failed policies that created the economic crisis, siding with special interests, i.e., the Wall Street investment banks. These economic and fiscal policies created the Bush recession, the worst financial crisis since the Great Depression, with job losses of nearly 800,000 a month and nearly doubling our national debt.

Democrats in Congress will continue to take America in a new direction, creating good American jobs, lowering taxes for the middle class and for small business, and building a strong new foundation for the economy and for Main Street instead of Wall Street.

□ 1140

#### CONGRATULATING NEW JOURNEYS TRANSITIONAL HOME

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. I would like to recognize an outstanding south Florida organization, New Journeys Transitional Home. This home is committed

to decreasing the rate of homelessness among young women in south Florida. It provides an immediate, safe, affordable, and nurturing housing environment that promotes independence and self-sufficiency.

New Journeys Transitional Home serves those who have a desire to achieve educational and employment goals, as well as those with a motivation to progress through the program. This wonderful organization provides young women with workshops to help strengthen their educational and employment goals, their interviewing skills, and improve their self-esteem.

Due to its generosity and dedication, New Journeys Transitional Home has helped so many young women in my community in south Florida. I would like to commend all the individuals involved in the organization. Through their service and support, they help our community and they help so many young women in our Nation.

Thank you for your devotion; thank you for your commitment to improving the lives of south Floridians in need.

#### PASS THE HOME STAR ENERGY RETROFIT BILL

(Mr. WELCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELCH. Madam Speaker, America needs jobs. The unemployment is too high, and there are concrete things that we can do to create jobs. One is to pass the Home Star Energy Retrofit bill into law. The Senate has to act. The House passed it on a bipartisan basis last year.

It's a partnership between homeowners, the private sector, and government. It will create 170,000 jobs where we need them the most: in manufacturing; in retail, by getting customers to the local hardware stores; and in construction, by putting out-of-work home builders to work retrofitting homes.

This is a triple play. It will allow us to save \$10 billion in energy bills, it will put 170,000 out of work folks to work, and it will help homeowners save on their energy bills.

#### MCDONALD V. CITY OF CHICAGO

(Mr. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Nebraska. Madam Speaker, yesterday the United States Supreme Court upheld a Federal appeals court ruling overturning a law prohibiting private citizens from possessing handguns in the City of Chicago. This is a momentous decision, and I commend the justices for protecting our right to gun ownership.

The Second Amendment guarantees an individual's right to keep and bear arms. However, for too long this right has been denied to some Americans

simply because of where they reside. This 5-4 decision was the right one, though the close margin underscores the necessity to remain vigilant to future attempts to curtail our right to bear arms.

Residents across this country should be able to exercise their constitutional rights to protect themselves and their families. I am committed to protecting the constitutional rights of all law-abiding, freedom-loving Americans, and I invite my colleagues to join me.

#### PUT FORWARD CONSTRUCTIVE IDEAS

(Mr. BUTTERFIELD asked and was given permission to address the House for 1 minute.)

Mr. BUTTERFIELD. Madam Speaker, as we work to resolve our Nation's fiscal crisis, we must have bipartisan cooperation to best find ways to balance economic recovery and job creation with long-term deficit reduction. Americans clearly understand the danger of debt and the need for a serious long-term plan. What they don't understand is sound bites and political rhetoric.

And so to my Republican colleagues, as you come to the well today, put your ideas on the table. It doesn't help to demagogue this issue. The fact is, and it remains, President Obama inherited a \$11 trillion debt on day one, and we are trying to recover. The American people need your constructive ideas.

#### FAILURE TO PASS A BUDGET

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Madam Speaker, for the first time since 1974, the House has failed to pass a budget resolution. Instead of making tough decisions, congressional Democrats have chosen to keep their heads in the sand. A problem won't go away just by ignoring it. It will require real leadership and a commitment to fiscal discipline to tackle the out-of-control spending and debt that threatens our economic prosperity. Failure to even propose a budget fundamentally means that congressional Democrats have no plan and are content to ignore our skyrocketing debt.

Madam Speaker, the American people know it's a failure of leadership to ignore the massive tax increases and the crushing burden of debt Washington is leaving our children and grandchildren.

#### HONORING RUBY BATTS ARCHIE

(Mr. PERRIELLO asked and was given permission to address the House for 1 minute.)

Mr. PERRIELLO. Madam Speaker, on Saturday, southern Virginia lost a legend, a lion, and a beloved leader.

Ruby Batts Archie, at the age of 76, passed away. She had been an educator in our community for 37 years. She had been the mayor of Danville from 1998 to 2000, and served on the city council for 16 years. She was just a few days from finally retiring from the council to spend more time with her grandchildren.

She was a tireless educator; she was a fearless leader. She always put the interests of the people in her community ahead, being willing to work with people from all parties, my predecessor, Mr. Goode, myself, people in the city, people in the county. For her, this was a matter of faith; it was a matter of fairness. She will be deeply missed.

We pray for her, for her family, and for all of those who served with her. It was an honor to have a chance to work with her to make Danville and southern Virginia a better place. And we look forward to what Mayor Sherman Saunders has called her everlasting legacy.

#### CHRISTIANS ARRESTED FOR PASSING OUT BIBLES IN AMERICA

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Madam Speaker, four Christian missionaries were recently arrested for disorderly conduct. What was their behavior that got them arrested? These four Christians were peacefully handing out the Gospel of John outside an Arab cultural festival.

Now, the festival was not a private or even a Muslim event. It was an Arab festival, free and open to the public. A video shows the Christian group, that included a former Muslim, outside, about a block away from that event. They were standing quietly on the corner handing out Bibles, when they were arrested by no less than eight police officers.

Now, under sharia law it is forbidden to preach Christianity to a Muslim. But, Madam Speaker, these discriminatory arrests against Christians did not occur in a Muslim country; they occurred in Dearborn, Michigan.

The First Amendment of our Constitution safeguards freedom of speech and freedom of religious expression even for Christians. Maybe the police in Dearborn, Michigan, haven't read the Constitution. These arrests are shameful, whether the police in Dearborn, Michigan, like it or not.

And that's just the way it is.

#### SUPPORT FOR WALL STREET REFORM

(Mrs. CAPPS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CAPPS. Madam Speaker, I rise today in strong support of Wall Street reform. After months of diligent work, the House and Senate will finally vote this week to enact Wall Street reform.

This is a historic achievement. The bill is not perfect, but it's a major step forward. Wall Street's unchecked greed and recklessness nearly destroyed our economy. Wall Street reform will repair our financial system and prevent another collapse.

When the House last voted on this bill, Democrats voted "yes," while Republicans all voted "no." Democrats voted to protect Main Street consumers from deceptive mortgages and predatory credit cards. Republicans voted "no." Democrats voted to shine a bright light of transparency and accountability on the shady dealings of Wall Street, but Republicans voted "no." And Democrats voted to never again use taxpayer dollars to bail out reckless, too-big-to-fail financial firms like AIG. Republicans voted "no."

It's time to show where you stand: with Main Street or with Wall Street.

I urge my Republican colleagues to finally vote "yes." Support Main Street instead of Wall Street.

#### FOLLOW THE TEXT OF THE CONSTITUTION

(Mr. DANIEL E. LUNGREN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL E. LUNGREN of California. Madam Speaker, this week the United States Supreme Court actually decided a constitutional question of extreme importance, and it had to deal with the right of individuals to keep and bear arms. The interesting thing was they reached this conclusion by looking at the text of the Constitution, the words of the Second Amendment. What a shame we didn't do that last week when we were dealing with the DISCLOSE Act, where we essentially eviscerated the First Amendment, the First Amendment protection for political speech.

Instead of saying that it exists for all and that we should protect it for all, we decided that some are more equal than others. We auctioned off parts of the First Amendment last week. Let us hope that the Senate will not repeat that mistake, and that we understand that perhaps the best way to understand what the Constitution means is to actually look at its words. Sometimes you can find the rights expressed there far more easily than looking at penumbras and those that emanate from penumbras. At times it makes sense for us to pay attention to what the Founding Fathers actually said.

#### WALL STREET REFORM

(Mr. LUJÁN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUJÁN. Madam Speaker, for too long New Mexicans have been put at financial risk by the irresponsible actions of Wall Street. Because of their risky gambles, our country lost 8 mil-

lion jobs and \$17 trillion in retirement savings and net worth. That's why I voted against the Wall Street bailout in 2009, and why Wall Street reform is needed.

We need to protect consumers and hold Wall Street accountable, and the current Wall Street reform package is an important step in that direction. It will rein in banks with their big bonuses, help put an end to bailouts, help put an end to too-big-to-fail, and introduce more transparency into the financial system.

We must keep working so that Wall Street is held accountable and is never again allowed to endanger the financial security of New Mexicans and people all across our great Nation.

□ 1150

#### WHERE IS THE BUDGET?

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURGESS. Madam Speaker, it's tough economic times, and almost every family, every business back in my district knows in tough times you've got to sit down and put pen to paper and figure out a budget so you know where you stand and where you're going. But right now, people find it unbelievable that they're sitting down and going through this tough process but we, in Congress, are not.

Until this year, we've never failed to pass a budget since the Budget Act was put into place in 1974. In fact, it is astonishingly insensitive of the Democratic leadership to not do a budget this Congress.

Earlier this year, President Obama himself said in January, "Like any cash-strapped family, we will work within a budget to invest in what we need and sacrifice what we don't."

So why not do a budget this year? I can't understand it. My folks back home can't either.

Last week, Brian Garlotte of Flower Mound, Texas, posted on my Facebook page, "Where is our budget, Congressman? This is unacceptable." I agree with Brian. It is unacceptable that this year, of all years, Congress will not work on a budget.

#### SMALL BUSINESS

(Mrs. DAVIS of California asked and was given permission to address the House for 1 minute.)

Mrs. DAVIS of California. Madam Speaker, at roundtables that I hold with small business owners in San Diego, there are some consistent themes. They all say that they need banks to lend and people to spend. A few also pointed out that when their businesses fail or fall behind on their taxes, the IRS is more than willing to work out a payment plan that they can afford but then slaps them with penalties that they can't afford.



The small business lending package we passed earlier this month provides small business penalty relief and \$3.5 billion in tax incentives for innovation and growth, and it gives community banks the lending leverage they need to help small businesses keep their doors open and create jobs.

This legislation is essential for businesses in my district and across our country. I hope our colleagues in the Senate see the importance of its immediate passage.

#### AMERICA SPEAKING OUT

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Madam Speaker, I'm here to speak about a program called America Speaking Out. You can put that into Google, "America Speaking Out," and go to YouTube, in which Kevin McCarthy explains it in a little bit more detail.

But the idea behind it is to ask the American people what would they like on their agenda, what do we need to be doing in Washington. Because one of the big complaints I get back home is, you know, You folks are up there and you seem to be in a bubble. You ignore what we want to do; you attach things to bills that don't belong there, and then you force through legislation and it's out of sync with the American people.

So the idea of America Speaking Out is to give the grassroots voters back home a little bit of an opportunity, and more of an opportunity than they get now, to be heard. And you can weigh in on the Web page and say, I want you to work on education as your top priority; I want you to bring the budget in, cut spending, top priority; I want you to finish up in Afghanistan and Iraq.

Whatever it is, we seek the input of the American people so that the Republican Party can work on an agenda.

#### TRIBUTE TO BRIGADIER GENERAL HARRY C. ADERHOLT

(Mr. ADERHOLT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADERHOLT. Madam Speaker, I would like to pay tribute today to Brigadier General Harry C. "Heinie" Aderholt, a true America hero and one of the founders of the United States Air Force Special Operations. On May 20 of this year, I and many others across the State and across the Nation were saddened to hear about the passing of General Aderholt.

Heinie, as he was affectionately known by all those who knew him and loved him, began his military service with the United States Army Air Corps in 1942 and retired from the U.S. Air Force in 1976. General Heinie Aderholt will be remembered for his valor, his character, and his strength. It was an

honor to have known him as a relative, friend, and great American patriot, and his leadership will be missed by all who knew him. His influence for good for all Americans will live on.

A memorial service will be held at Hurlburt Air Park at Fort Walton Beach, Florida, on July 2, 2010, at 9 a.m. Our thoughts and prayers are with his wife, Anne; his daughter, Janet; and son, George, and all of their family.

Thank you, Heinie, for all you did for America.

#### HONORING DAVID TAYLOR MILLER

(Mr. MURPHY of New York asked and was given permission to address the House for 1 minute.)

Mr. MURPHY of New York. I rise today with the very sad duty of reporting the tragic passing of U.S. Army Private First Class David Taylor Miller. Miller was killed in action by a suicide bomber who detonated an explosive device at a checkpoint Miller was guarding in Kunar Province of Afghanistan on Monday, June 21, 2010.

Taylor was just 19 years old, having graduated from Saratoga Springs High School in 2009. Despite his young age, his contributions to this world exceeded those of many people many times his age. The loss of so young a life is truly heart wrenching.

This tragic news comes as our community is still reeling from the loss of another young hero just last week.

Whether on the football field or on the battlefield, Taylor was a leader. He showed the strength and bravery that makes this Nation great. My heart goes out to his parents.

This true American hero made the ultimate sacrifice in defense of his Nation, and we owe him our eternal gratitude.

While it is moments like these that bring the true cost of our freedoms to the forefront of the public discussion, it is imperative that each and every one of us never forget what's at stake. We must always remember the hardships, suffering, bravery, and sacrifices for the families of those who serve our Armed Forces.

On behalf of a grateful Nation, our thoughts and prayers are with the entire Miller family during this tough time.

#### WE NEED TO GET THE DEFICIT UNDER CONTROL

(Mr. BRADY of Texas asked and was given permission to address the House for 1 minute.)

Mr. BRADY of Texas. Before coming to the floor, I was with two couples from back home. Lisa and Fred Koetting and George and Jeanette Coiner and their grandchildren were up here visiting. Mr. Coiner said his goal in life is to make sure he helps leave a country that is better for his grandchildren than the one that his parents bequeathed to him.

They are, like all of us, so worried about the deep debt this country is amassing each day, \$10 trillion of new debt over the next decade if these spending plans go forward. On top of a failed stimulus bill, on top of the 2,000-page health care bill no one read, this week Congress is going to take up an almost 2,000-page bill that will institutionalize bailout and, I think, harm our economy.

We don't have a budget for the first time in 40 years, and this week they're going to make up budget numbers. We're not going to have a vote on it, not have a debate. We haven't funded our troops in Afghanistan and Iraq. They need money, but it's hung up because people here want to spend it on other things.

We've got to get this deficit under control. We have to do it or we're putting an anchor around our children's necks.

□ 1200

#### URGENT ECONOMIC LEGISLATION

(Mr. DEUTCH asked and was given permission to address the House for 1 minute.)

Mr. DEUTCH. Madam Speaker, for years, reckless Republican economic policies and lax oversight of the financial industry led to an historic economic collapse for which everyday Americans are still paying the price, but now we are beginning to turn the corner.

Today, we are creating jobs, not losing jobs. The unemployment rate is beginning to fall, and confidence is rising.

Just as we are beginning to grow this economy, Republicans are prepared to stop the recovery in its tracks by blocking desperately needed job creation legislation. If we don't act now, the bedrock of our communities—our teachers and police and firefighters—will be laid off. Yet Republicans have blocked needed emergency aid to State and local governments.

If we don't act now, unemployment assistance will be cut off for so many of our citizens—for the mothers and fathers who only want to find work to support their families. If we don't act now, up to 300,000 teachers will be fired.

Instead of punishing the unemployed teachers and police, Republicans must stop blocking this urgent economic legislation. The time to act is now.

#### PAKISTAN

(Ms. SPEIER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SPEIER. Madam Speaker, late last month, extremist Islamist militants attacked two Ahmadiyya mosques in the central Pakistani city of Lahore—with guns, grenades and suicide bombs—killing 94 people and injuring well over 100. The attackers



claimed to be members of the Punjab Taliban. The victims are members of a minority Muslim sect, who, as a result of their beliefs, have been branded heretics who should be killed.

I urge my colleagues to join with me to condemn this hateful act and to express our sincerest condolences to the families of those killed and to those still living in fear in Pakistan because of their sincerely held beliefs. These cowardly assaults on people of prayer are attacks against people of all faiths, and these assaults cannot be tolerated.

It is time to pass House Resolution 764, which expresses the importance of interreligious dialogue and the protection of religious freedom and related human rights for persons of all faiths and nationalities in the Islamic Republic of Pakistan.

#### HOLDING BIG OIL ACCOUNTABLE

(Mr. MORAN of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN of Virginia. Madam Speaker, the Republican Party's mantra of "drill, baby, drill" dropped from sight almost as fast as the Deepwater Horizon oil rig. Yet the fact is, while this was the worst ecological catastrophe in American history and an accident, it was also an inevitability. It was inevitable because, for 8 years, the Cheney-Bush administration allowed Big Oil to operate with almost complete disregard for the protection of our environment.

So I am proud of the fact that President Obama and the Democratic Party are now holding BP accountable for all of the costs of the cleanup and for the devastating impact on the local economy in the gulf. I am also proud of the fact that they are holding Big Oil accountable to explore and produce domestic energy on already leased lands at competitive prices in a clean and safe manner.

The gulf coast catastrophe underscores the need for comprehensive energy and climate reform to rein in Big Oil and to reduce our reliance on dirty fossil fuels and foreign sources of oil. It is what the Democratic Party wants. More importantly, it is what the American people need and want. Let's pass an energy reform bill now.

#### HEALTH INSURANCE REFORM

(Mr. SCOTT of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCOTT of Virginia. Madam Speaker, just months ago, the President signed the historic health care reform law, and thanks to the Affordable Health Care Act, Americans are already seeing benefits from the reform.

First, our seniors on Medicare part D have begun receiving \$250 rebate checks when they fall into the doughnut hole so that they are receiving help

when they most need it. Second, the new law requires that health care insurers offer dependent coverage to allow children, up to age 26, to remain on their parents' policies, and that plan has been implemented by most policies.

Just today, the Department of Health and Human Services announced it would begin accepting applications for the Early Retiree Reinsurance Program to help early retirees get affordable coverage. Later this summer, Americans with preexisting conditions will be able to get insurance at affordable rates.

Now, we know that there are some who want to repeal all of these provisions and who want to take these benefits away from American families, but we remain dedicated to health care reform, which has expanded coverage to all Americans, and we are going to make sure that the law remains in effect.

#### TAMPA POLICE OFFICERS FATALLY SHOT

(Ms. CASTOR of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. CASTOR of Florida. Madam Speaker, I rise today on behalf of my community and home in Tampa, Florida, to mourn the deaths of two Tampa police officers who were fatally shot in the line of duty early this morning.

Officers David Curtis and Jeffrey Kocab simply were doing their jobs when they pulled over a car in what appeared to be a routine traffic stop at 2:15 a.m. this morning, but someone in the car was wanted on an arrest warrant. Demonstrating just how truly dangerous these jobs are for those who protect us, this stop was not routine. The officers were shot at close range, and later died at Tampa General Hospital.

Officer Curtis leaves behind a wife, Kelly, and four young sons. Officer Kocab leaves behind a wife, Sara, who is 9 months pregnant and is expected to deliver next week. Both of these young men were only 31 years old.

So I join the Tampa Police Department, Chief Jane Castor, Mayor Pam Iorio, and the entire city of Tampa in mourning the senseless loss of these two young community heroes.

#### EXTENDING EMERGENCY UNEMPLOYMENT BENEFITS

(Mr. AL GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AL GREEN of Texas. Madam Speaker, we must extend the emergency unemployment benefits. Why? Because the program is structured to assist those who are looking for work.

If you are not looking for work, you don't get the extension of benefits. Why? Because 1.7 million people will

lose their emergency benefits in 4 days if we do not act now.

Over 100,000 will lose their benefits in the State of Texas in 4 days if we do not act now. Why? Because, for every dollar that we spend on unemployment benefits—emergency benefits, I might add—we turn over \$1.63 in economic activity.

Finally, we must do it because, but for the grace of God, there go I and because Dr. King was right. Life is an inescapable network of mutuality, tied to a single garment of destiny. What impacts one directly impacts all indirectly. It has an impact on all of us. We benefit when we spend the money.

#### FINANCIAL REFORM

(Ms. CHU asked and was given permission to address the House for 1 minute.)

Ms. CHU. Madam Speaker, when you buy a car, you expect to put a key in the ignition and go. When you eat at your favorite restaurant, you expect a memorable meal.

When the California Public Employees' Retirement System invested in mortgage funds with AAA ratings, it expected a safe, steady return. Instead, it lost \$1 billion when subprime mortgages, which were hidden in the funds, unraveled—wiping out the pensions of millions of public employees and leaving taxpayers high and dry.

The Wall Street reform bill ensures this won't happen again. It ends taxpayer bailouts. It lets investors know what they are buying, and it makes sure banks are never too big to fail. That is why I am backing this bill, and am helping those 1.6 million California retirees and countless others across America.

A vote against this bill is only a vote for the big banks that got us in the mess in the first place.

#### TRADE

(Mr. COSTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COSTA. Madam Speaker, today, I rise to encourage our leadership to expand our trade opportunities and to grow our economy by calling up and passing our pending free trade agreements.

Just this week, President Obama reaffirmed his commitment to passing the Korea Free Trade Agreement. I applaud the President for this effort.

Korea, Colombia and Panama hold great economic potential for our country, especially for agricultural regions, such as the region I represent in the San Joaquin Valley.

Still, while these trade agreements languish, our farmers continue to face high tariffs in these countries—some as high as 80 percent. Worse yet, many of our international competitors in the European Union and in Canada are expanding market opportunities by signing their own trade agreements and by

seizing markets that could and should belong to U.S. agriculture.

Madam Speaker, we are living in a global economy. If we are truly committed to economic recovery in the United States, now is the time to promote U.S. products abroad.

□ 1210

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

#### EXPANDING ACCESS TO STATE VETERANS HOMES FOR GOLD STAR PARENTS

Mr. FILNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4505) to enable State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4505

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. EXPANSION OF STATE HOME CARE FOR PARENTS OF VETERANS WHO DIED WHILE SERVING IN ARMED FORCES.

In administering section 51.210(d) of title 38, Code of Federal Regulations, the Secretary of Veterans Affairs shall permit a State home to provide services to, in addition to non-veterans described in such subsection, a non-veteran any of whose children died while serving in the Armed Forces.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. FILNER) and the gentleman from Indiana (Mr. BUYER) each will control 20 minutes.

The Chair recognizes the gentleman from California.

#### GENERAL LEAVE

Mr. FILNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 4505.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FILNER. Madam Speaker, I yield myself such time as I may consume.

I rise in support of this bill, legislation to support the families of fallen service men and women. The bill offers access to State veteran homes to parents who have lost a child serving in the Armed Forces. While this service is currently available to some parents, we must recognize that any parent who has lost even one child should be given our support and care.

Madam Speaker, it is easy to understand the profound sacrifices that members of the armed services make daily in the service of their country. However, sometimes we forget that their fathers, mothers, husbands, wives and children also sacrifice deeply. When we memorialize the service of a dead servicemember, we must not forget the pain and sacrifice that their family has also endured.

Madam Speaker, this bill represents an important step forward in honoring the sacrifices of not just our servicemembers, but their families as well. I urge the support of my colleagues.

I reserve the balance of my time.

Mr. BUYER. Madam Speaker, I yield myself such time as I may consume.

(Mr. BUYER asked and was given permission to revise and extend his remarks.)

Mr. BUYER. Today, I rise in support of H.R. 4505 to enable State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces.

This legislation was introduced by my good friend and colleague from Texas, MAC THORNBERRY.

The loss of a child is a heartbreaking tragedy for any parent. When that loss occurs in defense of American freedom and democracy, we as a grateful and compassionate nation, must do all that we can to ease their pain and provide for their needs.

The State Veterans Home program is a partnership between the VA and the States to provide a broad range of long-term nursing home care for our veterans in need of such care.

Although admission to a State Home is determined by each individual state, each Home is required to maintain a residency of at least seventy-five percent veterans. Non-veterans may be admitted to a State Home if they meet certain criteria. Under current law, eligible non-veterans are veteran's spouses, widows, and Gold Star parents who have lost all of their children in military service.

H.R. 4505 would allow Gold Star parents who have lost a child but not necessarily all of their children to service in the Armed Forces eligibility for admission to a State Home. This is a simple change, and simply the right thing to do.

I want to thank MAC for recognizing this gap and taking the initiative to introduce legislation to correct the oversight and improve services for a parent who suffered the loss of a child in service to our country.

It is important to note that this bill would not result in any additional cost to the VA. And, most importantly, would not in any way impact the space available to veterans in State Veterans Homes.

Our highest admiration and respect should always lie with our servicemembers and veterans who knowingly and willingly put their lives on the line to protect our freedoms. And, we must also acknowledge and honor their beloved family members who also sacrifice in service to our country.

H.R. 4505 is supported by the Gold Star Wives of America, other major Veterans Service Organizations, and the Department of Veterans Affairs.

I urge each and every one of my colleagues to join me in supporting H.R. 4505.

Madam Speaker, I yield such time as he may consume to the author of the bill, MAC THORNBERRY of Texas.

Mr. THORNBERRY. Madam Speaker, I thank the gentleman from Indiana, who has been a very strong advocate for veterans and a respected voice in national security during the time that he has been in Congress. We will surely miss him in another year when he is no longer in our midst.

Madam Speaker, this is one of those issues that leaves people scratching their heads and saying, well, that doesn't make sense, because the way it works now is to be eligible for a State veterans home, a Gold Star parent must have lost all of their children. This bill will allow a parent to be eligible for a State veterans home if they have lost a child while serving in the military.

Now, there are 137 State veterans homes in all 50 States. Those States will still be able to determine the priority level about admissions. They still have to have 75 percent of their beds occupied by veterans. But the average occupancy rate now across the country is 86 percent. There is roughly 15 percent of empty beds in these homes, so this bill basically allows an added group of Gold Star parents who have lost a child while serving in the military to be eligible to fill those beds.

Essentially, there is no cost. The Department of Veterans Affairs has come back and said it will not cost the Federal Government anything. Our visits with the States have gotten the same result. It is supported by the American Legion, the VFW, and the Veterans Department.

Madam Speaker, I would say it has a practical benefit in that it gives an additional option for parents who have lost a child serving in the military, but in a larger sense, it gives a message of gratitude and support for the sacrifice that those parents have made.

I want to thank the chair and certainly the ranking member for bringing this to the floor. I want to express my appreciation to Dr. VIC SNYDER, the gentleman from Arkansas, who was an original sponsor of this bill with me, as well as Senator ENSIGN, who brought this matter to my attention last year. He tried to resolve it last year and was not able to do so, but hopefully it can be solved this year. I thank the gentleman again for yielding.

Mr. BUYER. Madam Speaker, I would like to thank the gentleman for bringing this, and I also thank the gentleman for his leadership on the House Armed Services Committee. You are filling a gap here. This is supported by the Gold Star wives, along with other major veterans service organizations.

I urge all my colleagues to join me in support of H.R. 4505.

I yield back the balance of my time.

Mr. FILNER. Madam Speaker, I urge all my colleagues to support H.R. 4505, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from California (Mr. FILNER) that the House suspend the rules and pass the bill, H.R. 4505.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. FILNER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### RECOGNIZING RESIDENTS OF TRACY, CALIFORNIA

Mr. FILNER. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1446) recognizing the residents of the City of Tracy, California, on the occasion of the 100th anniversary of the city's incorporation, for their century of dedicated service to the United States.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

#### H. RES. 1446

Whereas the City of Tracy is located in San Joaquin County, which is home to more than 42,000 veterans;

Whereas the Tracy area is home to the Defense Distribution Depot San Joaquin, which serves as a vital distribution center for materials and supplies for the United States Armed Forces;

Whereas the City of Tracy maintains a cherished memorial containing the names of the heroes from Tracy who made the ultimate sacrifice in service to the United States from World War I to the present;

Whereas Camp Tracy, located near the City of Tracy, played a role in intelligence operations that contributed to the war effort during World War II;

Whereas members of the United States Armed Forces from the City of Tracy served bravely, and many lost their lives, in the Korean War, Vietnam War, Persian Gulf War, and other military conflicts of the 20th century;

Whereas members of the United States Armed Forces from the City of Tracy have served with honor in the wars in Iraq and Afghanistan; and

Whereas the Tracy Press reported on November 11, 2008, that the City of Tracy has endured one of the Nation's highest per capita casualty rates in the war in Iraq: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) expresses its gratitude to the veterans of the City of Tracy, California, who have committed their lives to serving the United States; and

(2) expresses its gratitude to all of the residents of the City of Tracy, California, for their century-long commitment to serving the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. FILNER) and the gentleman from Indiana (Mr. BUYER) each will control 20 minutes.

The Chair recognizes the gentleman from California.

#### GENERAL LEAVE

Mr. FILNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous materials on H. Res. 1446.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FILNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise to join the City of Tracy, California, in celebrating its 100th anniversary of its incorporation.

I join the resolution's sponsor, Mr. MCNERNEY, in recognizing Tracy residents for their century of dedicated service to the United States.

The city of Tracy has endured one of the Nation's highest per capita casualty rates in the war in Iraq. Today, I urge the House to recognize the servicemembers and veterans of the city of Tracy.

Though many return to their homes and their families, those who make the ultimate sacrifice will not be forgotten. Forever memorialized in their city's monument, the fallen of Tracy stand as a reminder of the tragedies of war and the respect that all veterans are owed.

Most recently, with solemn grief and unwavering pride, the name of Marine SSgt Daniel Hansen was added to the memorial. The city of Tracy has supported generations of men and women, willing to make the same sacrifice as Staff Sergeant Hansen.

I join Mr. MCNERNEY in also thanking the sons and daughters of Tracy who do not enter the armed forces, yet are committed to supporting the 42,000 veterans living there today.

The resolution's sponsor is Mr. MCNERNEY from California, and I yield such time as he may consume to him to explain the bill.

Mr. MCNERNEY. Madam Speaker, I thank the chairman for yielding.

Madam Speaker, I rise to honor the residents of the City of Tracy on the 100th anniversary of the city's incorporation and for their century of dedicated service to the United States. I ask all of my colleagues to join me in supporting this important resolution to recognize the service of Tracy's residents. I am fortunate to represent Tracy, which sits in the rich agricultural region of California's San Joaquin Valley.

Time and again through the last century, Tracy residents have proven their dedication to our country by serving in our armed services. Many Tracy residents have made the ultimate sacrifice, giving their lives defending the freedom we cherish and protecting our Nation from the enemies at home and abroad.

The Tracy area is home to unique military history and tradition. For instance, Camp Tracy, located not far from the city, was the site of significant intelligence operations during World War II. The area is also home to the Defense Distribution Center-San Joaquin, commonly called the Tracy

Defense Depot, which plays a critical role in supplying our men and women serving overseas.

Members of the United States Armed Forces from the City of Tracy have served bravely, and many have lost their lives in World War II, the Korean war, the Vietnam war, the Persian Gulf war and other conflicts of the 20th century. Tracy residents are also serving with distinction in the current battlefields in Iraq and Afghanistan.

□ 1220

The city's newspaper, the Tracy Press, reported on November 11, 2008, that, per capita, the city of Tracy has endured one of the Nation's highest casualty rates in the war in Iraq. Just the other week, I attended an event in Tracy to honor the memory of one of those fallen heroes, and I am always humbled and made proud by the outpouring of support by Tracy residents for our men and women in uniform.

On many weekends back home in California, I visit Tracy to meet with local veterans and discuss the issues that affect their lives. I am committed to making sure that our veterans are cared for and that their families receive the support they deserve. My son Michael joined the service shortly after 9/11, and caring for our men and women in uniform is a deep personal priority. Our country should always recognize communities like Tracy whose residents answer the call to service.

I'm proud to recognize the residents of the city of Tracy on the occasion of their centennial anniversary of the city's incorporation. I ask my colleagues to join me in supporting this resolution honoring the veterans and residents of Tracy for their dedicated service to our Nation.

Mr. BUYER. Madam Speaker, I yield myself such time as I may consume.

(Mr. BUYER asked and was given permission to revise and extend his remarks.)

Mr. BUYER. Madam Speaker, I want to thank my colleague, Congressman MCNERNEY, for introducing the legislation. I ask my colleagues to support H.R. 1446.

Today, I rise in support of H. Res. 1446, a bill to recognize the residents of the city of Tracy, California, on the occasion of the 100th anniversary of the city's incorporation, for their century of dedicated service to the United States.

In 1869 the Central Pacific Railroad (now Southern Pacific) completed a rail line through the area which is now Tracy. The result of the new rail line was the founding of Tracy on September 8, 1878, named for Lathrop J. Tracy, a grain merchant and railroad director.

Tracy was incorporated in 1910 and it grew rapidly. Although railroad operations began to decline in the 1950s, Tracy continued to prosper as an agricultural area. Today, the city seal reflects this history of railroads and agriculture.

The city of Tracy has a long history of serving our nation's military during war and peacetime. During World War II, Camp Tracy played a role in the intelligence operations which contributed to the war effort. It is now the home

to the Defense Distribution Depot San Joaquin, which serves as a vital distribution center for materials and supplies for the U.S. Armed Forces.

Even today, the city of Tracy continues to support our men and women of the Armed Services and our veterans. SSG Rachelle Renaud, a Tracy native, is one of 100 Army athletes competing at the inaugural Warrior Games at the U.S. Olympic Committee's Colorado Springs, CO, training facility. A veteran of two deployments to Iraq with the 720th Military Police Battalion, she endured severe back pain that led to a double lumbar fusion on her spine. She hasn't regained the feeling in her left leg, but still has the spirit to compete and overcome her injuries. She will be participating in the standing shotput, individual and relay swimming events, cycling, and shooting.

It is through the support of local communities like Tracy that our men and women in uniform find the strength and determination to continue on the tasks ahead.

Madam Speaker, I thank my colleague, Congressman MCNERNEY for introducing this legislation, and Chairman FILNER for bringing it to the floor so expeditiously. I urge my colleagues to support H. Res. 1446.

I yield back the balance of my time.

Mr. FILNER. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Ms. RICHARDSON). The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and agree to the resolution, H. Res. 1446.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. FILNER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### HONORING VETERANS OF HELICOPTER ATTACK LIGHT SQUADRON THREE

Mr. FILNER. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1228) honoring the veterans of Helicopter Attack Light Squadron Three and their families, as amended.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

##### H. RES. 1228

Whereas Helicopter Attack Light Squadron Three (hereinafter in this resolution referred to as "HAL-3") began its history as detachments of Navy Helicopter Combat Support Squadron One (HC-1) which began helicopter gunship operations in support of Navy "Brown Water", Special Operations, and Army units in the Mekong Delta of South Vietnam on September 19, 1966;

Whereas the detachments of HC-1 adopted the name "Seawolves";

Whereas HAL-3 was officially established on April 1, 1967, in Vung Tau, South Viet-

nam, and was the only active duty Navy helicopter gunship squadron in the history of Naval Aviation;

Whereas during the squadron's existence, the nearly 3,000 veterans of HAL-3 displayed extraordinary courage in support of United States military and political objectives in Vietnam;

Whereas 44 veterans of HAL-3 gave their lives in support of military operations in the Mekong Delta, Vietnam;

Whereas the extraordinary performance of the veterans of HAL-3 earned numerous unit citations including 6 Presidential Unit Citations, 7 Navy Unit Commendations, 1 Meritorious Unit Commendation, a Republic of Vietnam Meritorious Unit Commendation, and the Vietnam Service Medal;

Whereas the valor of the veterans of HAL-3 earned 5 Navy Crosses, 31 Silver Stars, 2 Legion of Merit Medals, 5 Navy and Marine Corps Medals, 219 Distinguished Flying Crosses, 156 Purple Hearts, 101 Bronze Stars, 142 Republic of Vietnam Gallantry Crosses, over 16,000 Air Medals, 439 Navy Commendation Medals, and 228 Navy Achievement Medals, making it possibly the most decorated Navy squadron during the Vietnam War;

Whereas the maintenance and administrative personnel of HAL-3 contributed greatly to the successes of the nine HAL-3 detachments operating throughout the Mekong Delta by providing the detachments with superb maintenance support and logistics;

Whereas HAL-3 flew over 130,000 hours of combat and logistical support;

Whereas HAL-3 inflicted several thousand casualties on enemy forces;

Whereas HAL-3 performed 1,530 medical evacuations;

Whereas HAL-3 delivered over 37,000 passengers and over 1,000,000 pounds of cargo; and

Whereas HAL-3 was disestablished in March 1972 at Binh Thuy, South Vietnam, as part of the Vietnamization program leaving behind it a combat and humanitarian record recognized as bringing great credit upon the United States Navy and its role in the Vietnam War: Now, therefore, be it

*Resolved*, that the House of Representatives—

(1) honors the service, courage, and sacrifice of the veterans of HAL-3;

(2) honors the families of HAL-3 veterans for their support;

(3) expresses its condolences to the families and comrades of those killed in action; and

(4) recognizes HAL-3 as a unique squadron in the history of naval aviation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. FILNER) and the gentleman from Indiana (Mr. BUYER) each will control 20 minutes.

The Chair recognizes the gentleman from California.

##### GENERAL LEAVE

Mr. FILNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on House Resolution 1228, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FILNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to thank first the Committee on Armed Services for working with us to bring this bill to

the floor. This resolution recognizes and honors the veterans of Helicopter Attack Light Squadron Three and their families and is sponsored by Mr. BOOZMAN of Arkansas. The resolution recognizes the extraordinary courage of the nearly 3,000 veterans of Helicopter Attack Light Squadron Three, also known as HAL-3, who served in Vietnam from 1967 to March of 1972.

The resolution also serves to honor the enormous sacrifice of the 44 members of HAL-3 who gave their lives while serving alongside their comrades in support of military operations in the Mekong Delta, Vietnam. This remarkable unit earned six Presidential Unit Citations, five Navy Crosses, 31 Silver Stars, 219 Distinguished Flying Crosses, and 156 Purple Hearts, among numerous other awards and unit citations, making it possibly the most decorated Navy squadron during the Vietnam War.

Between 1967 and 1972, HAL-3 flew over 130,000 hours of combat and logistical support, inflicted thousands of casualties on enemy forces, performed 1,530 medical evacuations, carried more than 37,000 passengers, and delivered more than 1 million pounds of cargo to their destinations. The unit's expert maintenance and support personnel worked tirelessly to ensure that the squadron's aircraft were operationally ready and that its crews were provided with the daily support needed to accomplish their dangerous and critically important missions.

This resolution serves to honor the families of the HAL-3 veterans for their support and to express our condolences to the families and comrades of those killed in action. Helicopter Attack Light Squadron Three left behind a combat and humanitarian record recognized as bringing great credit upon the United States Navy and its role in the Vietnam War. Passing this resolution is the least we can do to honor the service and enormous sacrifice of the Americans that constituted such a valorous unit in naval aviation history.

HOUSE COMMITTEE ON ARMED SERVICES,  
HOUSE OF REPRESENTATIVES,

Washington, DC, June 28, 2010.

Hon. BOB FILNER,  
Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington, DC.

DEAR CHAIRMAN FILNER: I am writing to you concerning H. Res. 1228, honoring the veterans of Helicopter Attack Light Squadron Three and their families. This measure was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

Our Committee recognizes the importance of H. Res. 1228, and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over this legislation, the Committee on Armed Services will waive further consideration of H. Res. 1228. I do so with the understanding that by waiving consideration of the resolution, the Committee on Armed Services does not waive any future jurisdictional claim over the subject matters contained in the

resolution which fall within its Rule X jurisdiction.

Please place this letter and a copy of your response into the Congressional Record during consideration of the measure on the House floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our respective committees.

Very truly yours,

IKE SKELTON,  
*Chairman.*

COMMITTEE ON VETERANS' AFFAIRS,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, June 28, 2010.

Hon. IKE SKELTON,  
*Chairman, Committee on Armed Services, House of Representatives, Washington, DC.*

DEAR CHAIRMAN SKELTON: Thank you for your letter regarding House Resolution 1228, "Honoring the veterans of Helicopter Attack Light Squadron Three and their families." The measure was referred to the Committee on Veterans' Affairs and sequentially referred to the Committee on Armed Services.

I agree that the Committee on Armed Services has certain valid jurisdictional claims to this resolution, and I appreciate your decision to waive further consideration of H. Res. 1228 in the interest of expediting consideration of this important measure. I agree that by agreeing to waive further consideration, the Committee on Armed Services is not waiving its jurisdictional claims over similar measures in the future.

During consideration of this measure on the House floor, I will ask that this exchange of letters be included in the Congressional Record.

Sincerely,

BOB FILNER,  
*Chairman.*

Madam Speaker, I reserve the balance of my time.

Mr. BUYER. Madam Speaker, at this point I would like to yield such time as he may consume to the author of this legislation, H.R. 1228, Dr. BOOZMAN of Arkansas. He was former chairman and now ranking member of the Economic Opportunity Subcommittee of the House Veterans' Affairs Committee.

Mr. BOOZMAN. I want to thank Ranking Member BUYER for yielding, and then also I want to thank the chairman, Mr. FILNER, and Ranking Member BUYER for allowing us to bring this resolution forward.

Madam Speaker, I was proud to introduce House Resolution 1228, honoring the veterans of Helicopter Attack Light Squadron Three and their families to recognize the veterans' sacrifices and service to America during the Vietnam War.

Despite the controversy surrounding the Vietnam War, most of the officers and enlisted men who served in the HAL-3 were volunteers. Most of the pilots were fresh out of flight training in Pensacola and most of the junior enlisted were recent graduates of Navy boot camp and technical training schools. Their leaders were also new to combat, coming mostly from shipped-based helicopter squadrons normally assigned to track submarines and haul supplies.

HAL-3 fought from 1967 to 1972. In that time, they earned the respect of Army and Navy units throughout the Mekong Delta for their courage under

fire and their dedication to supporting their comrades on the ground and in small boats patrolling the canals and rivers. They supported Army troop insertions and extractions. Navy SEALs counted on their support in tight situations. Wounded sailors and soldiers benefited from battlefield medivacs. In short, the Seawolves mastered every form of combat helicopter operations.

Here are some of the statistics from the resolution: the nine detachments and home guard of HAL-3 flew 130,000 flight hours in 5 years. They performed 1,530 medical evacuations, inflicted thousands of casualties on enemy forces, transported 37,000 passengers, and hauled a million pounds of cargo. In accomplishing those milestones with a fleet of castoff gun ships and a few slicks, the veterans of HAL-3 were awarded 156 Purple Hearts, five Navy Crosses, 31 Silver Stars, 219 Distinguished Flying Crosses, 101 Bronze Stars, 142 Vietnam Gallantry Crosses, 16,000 Air Medals, and numerous other awards, including six Presidential Unit Citations, the highest recognition given to military units.

Like any combat operation, there was a cost; 44 Seawolves lost their lives and are among the 58,000 immortalized on the Vietnam Memorial. Today, the children and grandchildren of those brave souls can be justifiably proud of the heritage of courage and sacrifice of their fathers and grandfathers.

Madam Speaker, I would especially like to mention citizens of Arkansas who served with HAL-3: George Blackwell, Frank W. Butler, Wayne Campbell, Johnny P. Cruse, James L. Keyes, Terry A. McMellon, William J. Mulcahy, Charles Osborne, James N. Prater, and Mack Thomas. It's been an honor to bring this resolution honoring the HAL-3 Seawolves to the House, and I strongly urge my colleagues to add their names to the roster of those recognizing these American sailors.

□ 1230

Mr. BUYER. I yield myself such time as I may consume.

(Mr. BUYER asked and was given permission to revise and extend his remarks.)

Mr. BUYER. I thank the gentleman for bringing this.

I also want to recognize Hoosiers who also shared danger of combat above the rice paddies and the forests of the Mekong Delta; those who served with HAL-3 from Indiana: J. Howard Cook, Rick Hodge, Melvin Howell, Thomas H. Jackson, Robert L. Redman, and Jay Wakeland.

Madam Speaker, I rise in support of House Resolution 1228, Honoring the Veterans of Helicopter Attack Light Squadron Three and Their Families and want to express my appreciation to Dr. BOOZMAN for introducing this resolution.

This weekend, we celebrate the 234th anniversary of the signing of the Declaration of Independence. Over the years, our freedoms and the interests of the United States have been defended by over 40 million men and

women and of those, over 1 million have died and 1.6 million have been wounded. I find it ironic that something as beautiful as freedom must be maintained by something as horrible as war.

Within those millions, there is a small group of Navy veterans who hold a unique place in the Navy's history. Those are the veterans of Helicopter Attack Squadron Three, better known as the HAL-3 Seawolves, the only active duty attack helicopter squadron in the Navy's history.

Using hand-me-down Army UH-1B gunships, Seawolf pilots and gunners provided air cover for Navy and Army brown water units in the Mekong Delta of Vietnam. From the squadron's commissioning in 1967 to its decommissioning in 1972, nearly 3,000 sailors wore the black beret of HAL-3, and 44 of those courageous combat veterans are listed among the dead on the Vietnam War Memorial here in Washington. Another 156 were awarded the Purple Heart for their wounds.

These veterans came from every state and every socio-economic background. Most were in their late teens and twenties. Among the officers, most wore the silver bars of a lieutenant junior grade. Most of the enlisted men were airmen and junior petty officers. They were lead by a core of officers and Chief Petty Officers who cared for them, trained them, and shared the dangers of combat above the rice paddies and forests of the Mekong Delta. The sailors who provided maintenance and administrative support to the flight crews were essential to keeping the helicopters flying and are equally worthy of our recognition.

I would especially like to recognize several Hoosiers who served in HAL-3: J. Howard Cook, Rick Hodge, Melvin Howell, Thomas H. Jackson, Robert L. Redman, Jay Wakeland.

Madam Speaker, House Resolution honors the service of all the veterans of HAL-3 and the families of these veterans for their support. We also express our condolences to the families of those 44 who gave the full measure of devotion and finally recognize the Seawolves' unique place in Naval Aviation.

I yield back the balance of my time.

Mr. FILNER. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and agree to the resolution, H. Res. 1228, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. FILNER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ALEJANDRO RENTERIA RUIZ DEPARTMENT OF VETERANS AFFAIRS CLINIC

Mr. FILNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4307) to name the Department of Veterans Affairs community-based

outpatient clinic in Artesia, New Mexico, as the "Alejandro Renteria Ruiz Department of Veterans Affairs Clinic".

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4307

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. NAME OF DEPARTMENT OF VETERANS AFFAIRS COMMUNITY-BASED OUTPATIENT CLINIC, ARTESIA, NEW MEXICO.**

The Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, shall, after the date that is 30 days after the date of the enactment of this Act, be known and designated as the "Alejandro Renteria Ruiz Department of Veterans Affairs Clinic". Any reference to such clinic in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Alejandro Renteria Ruiz Department of Veterans Affairs Clinic.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. FILNER) and the gentleman from Indiana (Mr. BUYER) each will control 20 minutes.

The Chair recognizes the gentleman from California.

**GENERAL LEAVE**

Mr. FILNER. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FILNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of this bill, sponsored by Mr. TEAGUE of New Mexico, that names the Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, as the Alejandro Renteria Ruiz Department of Veterans Affairs Clinic.

Alejandro Ruiz of Loving, New Mexico, enlisted as an infantryman in the United States Army in 1944. He went on to serve with the 27th Infantry Division in the Pacific theatre of operations during the Second World War.

While advancing with his unit on the island of Okinawa, Private First Class Ruiz and his fellow soldiers came under intense automatic weapons fire from an enemy fighting position on the slopes of a narrow ravine.

In response, Ruiz exposed himself to the hail of bullets on his own initiative and stormed the enemy position. After being repulsed once, he returned to gather more ammunition and made a second assault on the pillbox, singlehandedly neutralizing the enemy position and saving the lives of his fellow soldiers.

For his actions on Okinawa, Private First Class Alejandro Renteria Ruiz was awarded the Congressional Medal of Honor, which was presented to him by President Truman on June 26, 1946, at the White House in Washington, DC.

Mr. Ruiz went on to serve in the Korean War and eventually retired from the Army as a Master Sergeant in the 1960s.

I'm sad to say that Mr. Ruiz passed away shortly before this bill was formally introduced, but I am very proud to honor his legacy of courage and patriotism by supporting H.R. 4307.

I urge the House to join Mr. TEAGUE in support of this bill and help to commemorate the valor of this great American.

I yield such time as he may consume to the gentleman from New Mexico (Mr. TEAGUE) to explain the bill.

Mr. TEAGUE. Madam Speaker, I rise today to speak in support of my bill, H.R. 4307, which would name the VA veterans health clinic in Artesia, New Mexico, in honor of Alejandro Renteria Ruiz, a southern New Mexican who was awarded the Medal of Honor during World War II.

Alejandro Ruiz was ultimately a sergeant in the United States Army. He was born and raised in Loving, New Mexico, down in southern Eddy County. When war broke out, he traveled north to Carlsbad and enlisted in the Army. After basic training, he was assigned to the 27th Infantry Division.

The 27th Infantry Division was part of the largest amphibious operation in the Pacific theater, the Allied invasion of Okinawa, code name Operation Iceberg. It was during this invasion that, on April 28, 1945, Private Ruiz' unit was pinned down by machine gun fire from a camouflaged Japanese pillbox. They were unable to advance until Ruiz grabbed an automatic rifle and charged the pillbox, right in the face of machine gun fire and grenades. Unfortunately, his rifle jammed, and one of the enemies attacked Ruiz. Without hesitation, he used the rifle as a club and beat back his enemy. Ruiz then returned to his original position, all the while under fire from machine guns and grenades from the pillbox. On his second attempt to free his unit, Ruiz was able to overtake the enemy pillbox and save the lives of fellow soldiers.

For his actions, he was awarded the Medal of Honor, which was presented to him by President Truman on June 26, 1946, in a ceremony at the White House.

Madam Speaker, it is with great pride that I stand before you to honor this American hero. We should all work every day to remember individuals like Sergeant Ruiz. He and the multitudes of his fellow Americans who battled for the freedom of Europe, Asia, and the Americas left the world a legacy of liberty, security, and prosperity.

After the war, Sergeant Ruiz would tell the story of how he came to serve in the Army. As a young man working for a cattle farmer in Carlsbad, he was told to transport an animal to another farm. Now, I am as familiar with the long, lonely roads of southern New Mexico as much as anyone is, and I can tell you, your mind wanders on those long drives. That day more than a half a century ago, Mr. Ruiz' mind wandered to thoughts of a girlfriend. Well, those thoughts in mind, he drove straight to Barstow, Texas, 122 miles away, to speak with that young

woman, and he brought the cow with him. Seeing as he'd now stolen a cow, Mr. Ruiz was detained, and the judge told Mr. Ruiz he would either be sent to jail for taking the cow or he could enlist in the Army. He chose the Army.

Sergeant Ruiz died on November 20, 2009. He was survived by two children, Selia Ruiz and Alejandro Ruiz, Jr., a sister, seven grandchildren, and six great-grandchildren.

Madam Speaker, Sergeant Ruiz was a member of the Greatest Generation. As that generation grows older and many of them leave this Earth, it is important that their sacrifices, their acts of heroism, their accomplishments, and, of course, their names not be forgotten. It would be a great mistake for us to forget how the lives we live today, the freedoms we cherish, and the comforts we enjoy were earned by the heroism of Sergeant Ruiz, the blood of his fellow soldiers, and the sacrifice of an entire Nation.

Madam Speaker, upon enactment of this bill, the U.S. Department of Veterans Affairs community-based outpatient clinic located at 1700 West Main Street in Artesia, New Mexico, will bear the name of Alejandro Renteria Ruiz, the son, citizen, and defender of a grateful Nation.

I thank Chairman FILNER for his support, and I urge my colleagues to support this bill.

Mr. BUYER. Madam Speaker, I yield myself such time as I may consume.

(Mr. BUYER asked and was given permission to revise and extend his remarks.)

Mr. BUYER. I would like to thank Mr. TEAGUE for bringing this legislation and thank Mr. FILNER for bringing it to the floor.

Any time I get to read the history and hear the stories of such extraordinary Americans, it's only fitting that we can actually place their name on such buildings that are going to be able to care for so many people. This is a very fitting memorial to his service to country.

Today, I rise in support of H.R. 4307, a bill to rename the Artesia Community Outpatient Clinic after Alejandro Renteria Ruiz, a much decorated World War II veteran who served in the Pacific theater and is a recipient of the Medal of Honor.

Ruiz received the Medal of Honor during the World War II conquest of the Japanese island of Okinawa on April 28, 1945. Master Sgt. Ruiz summoned the courage to charge a Japanese pillbox under a hail of machine gun fire and was able to neutralize it. He singlehandedly saved the lives of his 165th infantry comrades and eliminated an obstacle that would have checked his unit's advance. When his comrades recommended him for the Medal of Honor, Ruiz did not want to hear their accolades, instead choosing to focus on daily battles in Okinawa. Such courage and humility makes for an extraordinary person and soldier.

Ruiz is a hero who continued to serve his nation in the military, serving in the Korean War and retiring as a Master Sergeant in the mid 1960s. He lived at the Veterans Home in Yountville, Calif., near Napa and recently passed away on November 20th, 2009.



Ruiz frequently attended veteran reunions once he retired from the military, as well as Veteran Commemorate Conventions to honor his comrades. At these conventions, he stressed the importance of Japanese and American cooperation and understanding. Even though he had fought the Japanese during the war, he agreed that today America and Japan are friends and allies and fervently upheld a message of peace.

Ruiz is also among forty-three men of Hispanic heritage who have been awarded the Medal of Honor. His story should inspire every American.

Madam Speaker, I urge my colleagues to support H.R. 4307. Passage of this bill is an appropriate way to honor a great American. I thank Mr. TEAGUE for introducing this bill, and Chairman FILNER for moving this bill to the floor for consideration.

I yield back the balance of my time.

Mr. FILNER. I thank the gentleman from New Mexico (Mr. TEAGUE) for bringing us this important resolution.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and pass the bill, H.R. 4307.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. FILNER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1240

## RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010

Mr. LEVIN. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5618) to continue Federal unemployment programs.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5618

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Restoration of Emergency Unemployment Compensation Act of 2010".

### SEC. 2. EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(A) by striking "June 2, 2010" each place it appears and inserting "November 30, 2010";

(B) in the heading for subsection (b)(2), by striking "JUNE 2, 2010" and inserting "NOVEMBER 30, 2010"; and

(C) in subsection (b)(3), by striking "November 6, 2010" and inserting "April 30, 2011".

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking "June 2, 2010" each place it appears and inserting "December 1, 2010"; and

(B) in subsection (c), by striking "November 6, 2010" and inserting "May 1, 2011".

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110-449; 26 U.S.C. 3304 note) is amended by striking "November 6, 2010" and inserting "April 30, 2011".

(b) FUNDING.—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (D), by striking "and" at the end; and

(2) by inserting after subparagraph (E) the following:

"(F) the amendments made by section 2(a)(1) of the Restoration of Emergency Unemployment Compensation Act of 2010; and".

(c) CONDITIONS FOR RECEIVING EMERGENCY UNEMPLOYMENT COMPENSATION.—Section 4001(d)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended, in the matter preceding subparagraph (A), by inserting before "shall apply" the following: "(including terms and conditions relating to availability for work, active search for work, and refusal to accept work)".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Continuing Extension Act of 2010 (Public Law 111-157).

### SEC. 3. COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.

(a) CERTAIN INDIVIDUALS NOT INELIGIBLE BY REASON OF NEW ENTITLEMENT TO REGULAR BENEFITS.—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following:

"(g) COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.—

"(1) If—

"(A) an individual has been determined to be entitled to emergency unemployment compensation with respect to a benefit year,

"(B) that benefit year has expired,

"(C) that individual has remaining entitlement to emergency unemployment compensation with respect to that benefit year, and

"(D) that individual would qualify for a new benefit year in which the weekly benefit amount of regular compensation is at least either \$100 or 25 percent less than the individual's weekly benefit amount in the benefit year referred to in subparagraph (A), then the State shall determine eligibility for compensation as provided in paragraph (2).

"(2) For individuals described in paragraph (1), the State shall determine whether the individual is to be paid emergency unemployment compensation or regular compensation for a week of unemployment using one of the following methods:

"(A) The State shall, if permitted by State law, establish a new benefit year, but defer the payment of regular compensation with respect to that new benefit year until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

"(B) The State shall, if permitted by State law, defer the establishment of a new benefit year (which uses all the wages and employment which would have been used to establish a benefit year but for the application of this paragraph), until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

"(C) The State shall pay, if permitted by State law—

"(i) regular compensation equal to the weekly benefit amount established under the new benefit year; and

"(ii) emergency unemployment compensation equal to the difference between that weekly benefit amount and the weekly benefit amount for the expired benefit year; or

"(D) The State shall determine rights to emergency unemployment compensation without regard to any rights to regular compensation if the individual elects to not file a claim for regular compensation under the new benefit year."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals whose benefit years, as described in section 4002(g)(1)(B) the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note), as amended by this section, expire after the date of enactment of this Act.

### SEC. 4. REQUIRING STATES TO NOT REDUCE REGULAR COMPENSATION IN ORDER TO BE ELIGIBLE FOR FUNDS UNDER THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.

Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

"(g) NONREDUCTION RULE.—An agreement under this section shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a manner such that—

"(1) the average weekly benefit amount of regular compensation which will be payable during the period of the agreement occurring on or after June 2, 2010 (determined disregarding any additional amounts attributable to the modification described in section 2002(b)(1) of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 438)), will be less than

"(2) the average weekly benefit amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on June 2, 2010."

### SEC. 5. BUDGETARY PROVISIONS.

(a) STATUTORY PAYGO.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled 'Budgetary Effects of PAYGO Legislation' for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

(b) EMERGENCY DESIGNATIONS.—Sections 2 and 3—

(1) are designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111-139; 2 U.S.C. 933(g));

(2) in the House of Representatives, are designated as an emergency for purposes of pay-as-you-go principles; and

(3) in the Senate, are designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. LEVIN) and the gentleman from Michigan (Mr. CAMP) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Madam Speaker, I yield such time as he may consume to the



chairman of the subcommittee, the distinguished gentleman from Washington (Mr. McDERMOTT).

(Mr. McDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. McDERMOTT. Madam Speaker, if we fail to act, 1.7 million Americans will lose their unemployment benefits by the end of this week. The House tried to address this issue a month ago as part of a much larger jobs package, but Republican opposition killed the bill in the other body.

America's unemployed workers cannot wait any longer for all of us to do the right thing. Many of them have lost their benefits after just 26 weeks. And we're not talking about people who've had 99 weeks of unemployment. We're talking people 26 weeks of unemployment in a time when we have almost 10 percent unemployed. And that's even as long-term unemployment has reached the highest levels since we've been counting. And yet, only one, one of more than 200 Republicans in Congress has voted to continue the benefits.

So we're bringing up a stand-alone bill to extend unemployment benefits so there can be no excuses. There's no place to hide in this. You are looking the unemployed straight in the face.

If you vote "no" you will be cutting off unemployment benefits to Americans who have worked hard and played by the rules but now find themselves with no job, no savings, and no support.

If you vote "no" you are abandoning unemployed Americans when there are five of them desperately searching for every job that's out there.

If you vote "no" you'll be helping increase the number of homes in foreclosure. If you don't get an unemployment check, you don't have money to pay your mortgage, so your house is going to go in the tank. The number of families declaring bankruptcy and the number of children going hungry will go up in America, in the richest country in the world.

If you vote "no" you're undermining economic recovery by choking consumer demand at a critical time.

And if you vote "no" I honestly don't know how you're able to go home and march in a Fourth of July parade as millions of Americans are left without any way to keep a roof over their head or food on the table for their children.

No excuses this time. No place to hide. We must pass this bill.

Mr. CAMP. Madam Speaker, I yield myself such time as I may consume.

Here we go again. Another month, another bill extending unemployment benefits and extending the Federal deficit. Only this time, the Democrats have waited now almost an entire month since these programs last expired to come up with a plan for how to extend them, leaving hundreds of thousands of long-term unemployed people without needed benefits. And it's all because the Democrats refuse to pay for these benefits, despite record Federal deficits.

Madam Speaker, I'm one of many on this side who support helping long-term unemployed people. I voted for these benefits. Even though my home State of Michigan recently ended its 4-year run, the highest unemployment rate in the Nation, the pain suffered by our residents remains real.

But the American people know it isn't right to simply add the cost of this spending to our already overdrawn national credit card. They want to help those in need. They also know that someone has to pay when the government spends money. That assistance must not put our fiscal house, as a Nation, in even worse shape. And we're already in terrible shape, thanks to the other side.

The Democrats' trillion-dollar stimulus plan created millions of unemployed workers, instead of millions of promised jobs. We can and should cut that ineffective stimulus spending to pay for extending UI benefits, as my colleague, Mr. HELLER of Nevada, has proposed.

Stimulus hasn't worked. In its wake, nearly 3 million private-sector jobs were lost. Unemployment soared to 10 percent nationwide, and 48 out of 50 states lost jobs. The only thing we stimulated is more government jobs.

Even Democrats now question the wisdom of all that spending, as is evidenced by the fact the chairman of the Senate Finance Committee proposed last week to cut some of it to pay for expending other expired policies.

But instead of that commonsense approach, our colleagues on the other side have brought up this unpaid-for bill, under a process that prevents any amendment, including an effort to pay for this spending. So I expect, because of those reasons, this bill will be defeated. And they know that. They want a campaign issue. Not because Members on both sides oppose helping the unemployed, but because Members reflecting what they're hearing from their constituents, listening to the people they represent, are opposed to adding another \$33 billion to our \$13 trillion mountain of national debt. Our national debt is now more than 90 percent of our total economy.

Look around the world. Countries are sinking in debt. Yet, the Democrat leaders of this House seem among the last to recognize that this reckless spending cannot go on forever.

I urge my colleagues to oppose this deficit-extending bill today so that we can bring up a real bill that allows us to pass and actually pay for these benefits for the long-term unemployed. That's the only road out of this policy dead-end into which the other side's spending ways have driven us.

Madam Speaker, I reserve the balance of my time.

Mr. LEVIN. I yield 1 minute to the gentlewoman from Nevada (Ms. BERKLEY), a member of our committee.

Ms. BERKLEY. Thank you, Mr. Chairman, for extending me this courtesy.

I am not at all concerned about finding a campaign issue to run on in November. What I'm looking for is relief for the people that I represent.

Nevada's unemployment rate went up last month. We are the highest in the country, officially over 14 percent, probably closer to 20 percent, which means a fifth of the people living in the State of Nevada have no jobs. And the problem is, there's no jobs to have.

When I hear people say, well, we shouldn't extend unemployment benefits because people are going to get accustomed to being on unemployment. Not one of the people I represent that's unemployed has come to me and told me what a picnic it is living on the brink with their unemployment benefits.

You know what they're saying to me? Find me a job, Congresswoman. I want to work.

Until this economy recovers, until people can go back to work we have an obligation and responsibility to keep these families afloat. So let's stop talking about nonsense like campaign issues, and let's start talking about how we're going to save our fellow citizens from going under in such a way that they're never going to be able to bounce back, no matter what happens with this economy.

I strongly support this.

Mr. CAMP. At this time, I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. Madam Speaker, I appreciate and applaud the leadership of Mr. CAMP on job-creating issues in this Congress.

My friend from Washington is correct; there are no excuses on this bill. Democrat leadership has known for months that this would run out for those who need unemployment, and they did nothing. Now it's lapsed for 30 days, and the question is why.

The answer is, to Democrats deficits don't matter. They thought they could attach this bill to a big spending bill and talk the rest of Congress into adding even more to our deficit, and Congress balked. Today they think they can add another \$33 billion to our deficit and Congress will go along with it. But we won't. At a time when Democrats believe deficits don't matter, the rest of the American public says it does matter.

□ 1250

People are frightened by the amount of debt this country owes. They are frightened by how much more dangerous debt is added every day. In fact, every second in America, under the Obama-Democrat budget, every second more is added to the national debt than most average Americans make all year long, every second more debt than most of us make all year long. And there is no end in sight.

Deficits are going to drag this economy down. It's going to put an anchor around the young people's necks, those

of our children and grandchildren. What I think is frustrating is it's so easy to pay for this bill. As Mr. CAMP said, a trillion-dollar stimulus bill. They spent \$3 million on a turtle crossing in Florida; \$50,000 for a hand puppet grant. They have \$390,000, this is hard to believe, they spent \$390,000 of your money at the University of New York at Buffalo to study the relationship between malt liquor beer and smoking marijuana. Those are your tax dollars. That's what we are spending this deficit on.

And what's even I think worse, as bad as the deficit is, if Democrats in Congress succeed in reinstating the moratorium on drilling in deep water, we will add 50,000 direct unemployed to these rolls. We will lose hundreds, if not thousands, of small businesses who won't be able to survive this moratorium.

The White House is determined to reinstate it, even though a Federal judge said it was completely inappropriate. Let's not turn an environmental catastrophe into an economic catastrophe. Bills like this that get ignored, try to run up deficits, moratoriums that kill more U.S. jobs, we can do better than this. I will vote "no," and I urge commonsense Americans who support a balanced budget to vote "no" as well.

Mr. LEVIN. I simply want to say to the gentleman from Texas he will have to go home, if he votes "no," and give an explanation why he voted "no" when 113,000 residents of the State of Texas will have lost unemployment benefits by the end of this week without the enactment of this bill; 113,000.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members should direct their remarks to the Chair.

Mr. LEVIN. I now yield 1 minute to the gentleman from Illinois (Mr. DAVIS), a distinguished member of our committee.

Mr. DAVIS of Illinois. I thank the chairman for yielding.

Madam Speaker, I received a phone call early this morning from one of my constituents. He said to me, Congressman DAVIS, I have had a job since I was 18 years old. I have always worked, but my unemployment benefits ran out at the end of May. My basement is flooded as a result of the heavy rains. My son is in college and can't find a summer job. Our house is almost in foreclosure. There are no jobs to be found. And now I have no unemployment benefits. What can I do? And the only thing I could say to him was, You can keep looking, you can have faith, and you can have hope.

But there is something that we can do. We can pass 5618, to extend unemployment benefits for you and your family, and for the other hundreds of thousands of families throughout America. That's the very least we can do, and we ought to do it now.

Mr. CAMP. I reserve the balance of my time.

Mr. LEVIN. It's now my privilege to yield 3 minutes to the distinguished

gentleman from New York, CHARLES RANGEL.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. I want to thank the chairman of the committee for yielding.

I guess my appeal has to deal with America. I think that our great country and its successes is really not just due to investments, but the investments that we have in people who are willing to leave their home country to come to this country because they have hopes, they have dreams, they have the energy. And I don't know how you convert that into what makes America the giant that it is, but one thing is abundantly clear: everyone is trying to come to America, and no one is anxious to leave.

This quality of believing in America and believing that you have the opportunity to succeed through hard work is one of the things that I think this recession, this setback, is costing us—something that we can never recover from—and that is the lack of faith. I think the gentleman from Chicago talked about it.

It's not just those who are unemployed now. It's those who are chronically unemployed, those that don't really believe that America's going to give them another chance, and those that are holding on now by their fingernails in the hope that somebody somewhere would allow them to exist.

Some lives cannot be restored. You can't get back that house, you can't get back your credit, you can't get back your kid in college, you can't get back your reputation of being a hard-working person that takes care of their family. And these are personal crises that most people overcome. But can our country overcome it? Can we tell a person that's worked all of his life, and his father and his grandfather, can we say that we have found billions of dollars for the bankers but somehow we are concerned about the deficit when it comes to Americans?

The one quality that we have is we believe in this country, we believe in hard work, and we believe that our country supports that type of thing. We can't talk about the other House, we can't talk about the deficit, we can't talk about Republicans and Democrats. We are talking about the heart of our country, and that is the dreams and the aspirations that we will never let workers down.

So we are not talking about welfare, unwanted children, or any of those things except what our flag is made of; and our flag is made of hope and support from this great country. So I do hope, Madam Speaker, that people try to understand everybody in this Chamber knows somebody that's not going to come back the same way that this crisis has hit them. We have an ability to ease the pain and to save the faith of those people who have not yet reached that point that they know that our country has let them down.

I just thank my colleagues for being sensitive enough to know that we do care, and we want the country to know that this could happen to them. So many people are depending on us. I hope this body will not let them down.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. It is now my privilege to yield 2 minutes to the gentleman from Massachusetts, a distinguished Member, Mr. RICH NEAL.

Mr. NEAL. Thank you for yielding, Mr. Chairman.

Some of the best speeches that I have ever listened to and/or read come from the legendary mayor of Boston, James Michael Curley. And Curley spoke with great empathy about the forgotten man, those individuals who for whatever reason have found themselves outside of the mainstream of economic life. He also would suggest that, in simplicity, that the great ally of civilization was a full stomach. And we need to be reminded of that with the grim economic statistics that America is currently witnessing.

Now, also another very pertinent reminder here that I think that we all ought to recall: in October of 2008, in record time this House voted to come to the aid of Wall Street. It didn't take us long, with the Troubled Asset Relief Program, to keep standing many of those institutions that helped create the problem that we find ourselves currently in.

Now, why is that relevant? There are millions of people across this country who have simply found themselves without work. What does that do to an individual who has spent a career, and after 30 years finds the job is gone? And we treat them as though they are simply a statistic after perhaps they served us in an honorable manner in Vietnam, or currently in Iraq, or Afghanistan, or other theaters around the world?

America's about building community, Madam Speaker. America's about a place where nobody's to be abandoned and nobody's to be left behind. The great bounty of God's work has been to ensure that most people in America have shelter and food. This opportunity to extend unemployment benefits for the American people ought to meet this moment.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. I yield 1 minute to the gentlelady from Texas (Ms. JACKSON LEE).

□ 1300

Ms. JACKSON LEE of Texas. Madam Speaker, I was listening to the tribute to Senator BYRD yesterday on the floor of the Senate, the other body, and I was struck by one comment on his integrity. It was that if Senator BYRD gave you his word you could go to the bank on it.

I rise today to support this legislation because I want the American people to know that this Congress who has

taken their vote really needs to stand by its word. That word is to be there for America during a rainy day. This unemployment insurance extension is not a handout; it's a hand up. Democrats have voted to create thousands of jobs in America but it is not enough.

All the economists will tell you that Americans are not at work because they don't want to work. They are not at work because jobs have not been created, and one of the downfalls of the bailout, for those of us who did vote against it but because of the outpouring of our own constituents who asked us to vote "yes," we voted "yes" for small businesses and businesses in general to create jobs, but if the too-big-to-fail banks refuse to give them loans to create jobs then we are stuck with no job creation at the level we would like.

We need to be able to provide for those who need us now, provide for those without jobs or losing jobs, and get off this high horse of breaking your word to the American people.

Mr. CAMP. I yield myself such time as I may consume.

As I said in my opening comments, there are many people on this side who have and do support helping the long-term unemployed. I voted for these benefits. This will represent the eighth extension of unemployment benefits since July of 2008. Of those eight bills, one has been paid for.

I heard my friend on the other side so eloquently speak of the forgotten man. What about the future of this country? What about the children and grandchildren who are going to be left paying this debt?

The issue isn't should we extend benefits to the unemployed. The issue is should they be paid for or should they simply add to the deficit and further compound our problems.

I happen to serve on the debt commission, the fiscal responsibility commission. We had testimony there from an expert who analyzed 200 years of world history and every country in the world and said that when your national debt gets to 90 percent of your GDP, which we're at now, you end up hurting the economic growth of the country by about 1 percent, and in America, that means 1 million jobs. That means by adding to the debt and deficit, we're costing jobs.

Now, what we need to do is help grow this economy, and let me just say that these unemployment insurance benefits are not paid for in this bill. Of the \$34 billion that would be spent on UI, not a penny is paid for. This bill is declared an emergency, and therefore, this \$34 billion will be added to our already record \$13 trillion debt, but it doesn't have to be that way.

The House actually passed, as I mentioned, one extension bill last fall that was fully paid for, and here's what a colleague of mine on the Ways and Means Committee, a senior Democrat, said in a press release, and this is also found on his Web site: "In passing the

legislation . . . the bill does not increase the deficit . . . the extension is fully paid for."

And here is what the Statement of Administration Policy said about that bill: "Fiscal responsibility is central to the medium-term recovery of the economy and the creation of jobs. The administration therefore supports the fiscally responsible approach to expanding unemployment benefits embodied in the bill."

So, by the administration's logic, the fiscally irresponsible bill before us undermines the medium-term recovery of the economy and the creation of jobs.

Let's vote "no" on this bill today so that we can come back tomorrow and pass a bill that extends unemployment benefits that is fully paid for and does not jeopardize the future of this country and the need for economic growth that is so important to getting us out of this recession.

With that, I yield back the balance of my time.

#### GENERAL LEAVE

Mr. LEVIN. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5618.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN. I yield myself the balance of my time.

I have listened to my colleague from Michigan who comes here almost alone, and I think those who vote "no" when they go back home are really going to find themselves basically alone, because those who vote "no" have no place to hide.

This is an emergency for 1.7 million people and their families right now; therefore, it's an emergency for the community of the United States of America. And that 1.7 million will grow and grow under this banner that is floated by the minority.

Look, the excuses fall of their own lack of weight. You say we did nothing on the Democratic side. Yes, we passed a bill that extended unemployment insurance. They could not find a single Republican in the Senate to vote for that bill. And so you finger point at those who acted and excuse those who refused to act?

And you bring up the deficit, a deficit that grew under the previous administration. You can't hide behind that. This is an emergency.

You can't hide behind the Republican bill either because, as I understand it, it was for 1 month paid for and that month is gone. You have not come up with any responsible, feasible way to excuse inaction.

Unemployment insurance was extended many times under Republican Presidents, so you don't even have that excuse.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CUELLAR). Members will address their remarks to the Chair.

Mr. LEVIN. There's no excuse, and so what was done under previous administrations, Republican and Democratic, should be done right today. I'm afraid you don't see that there's an emergency for the families, soon to be 2 million.

And also, let me say in terms of economic growth, when you provide unemployment insurance to people, they spend it. So, if you're worried about growth and consumer demand, put money in the pockets of people who are desperate, who are out of work, who are looking for work. Instead, you turn your back on them.

I want to read a story. I met this person in Hazel Park, Michigan, last weekend. He served 3 years and 9 months in the U.S. Army, including a year tour in Iraq. He has an associate's degree from a community college and a bachelor's degree. He was employed by a loan company, a mortgage company, as a broker, and then the mortgage crisis came and he was laid off. He was unemployed for 3 years, and then he was hired by Kmart as an assistant store manager. He was laid off in 2009, August, due to store closings.

□ 1310

He has currently, approximately, 4 weeks left on his Tier 1 extension, due to expire on July 14. There are 1.7 million people like this gentleman already in this country.

I don't know how you look them in the face. I don't know how you explain a "no" vote. I think the flimsy arguments that are used won't work in this hall and won't work back home.

This is an emergency. I really can't believe that people from the minority are going to come here and vote "no." They are voting "no" for millions. I think they are voting "no" for what is best in the United States of America. We are a community of people. When people lose their jobs and can't find them, we don't simply stand idly by. This is the time for you to stand up, and the only way to stand up is to vote "yes."

I plead on behalf of the millions of people in this country who are out of work, who are looking for jobs, that you provide the unemployment insurance that they have worked for and that should be provided. Don't turn your backs on them. In the end, there will be no excuse, no excuse, no excuse.

Mr. VAN HOLLEN. Mr. Speaker, I rise in strong support of this much-needed legislation to extend unemployment insurance benefits through November 2010.

Though we are showing signs of economic recovery, millions of Americans remain out of work through no fault of their own. Without this extension, an estimated 1.7 million individuals will lose their unemployment benefits by July 3, 2010. This legislation would help these individuals and their families by retroactively restoring the benefits that they began losing as early as the end of May. We need to help those families who are struggling to make ends meet.

Protecting the middle class, rebuilding our economy, and providing job growth remains

our top priority. While there has been five consecutive months of job growth, much more work needs to be done to make up for the 8 million jobs lost while we continue to rebuild the economy. We inherited an economic mess that favored corporate special interests at the expense of the middle class. And we are still cleaning up that mess. Extending these benefits is not only the right thing to do for these families, but at the same time it will help the economy as a whole. If individuals are unable to buy food and pay their mortgages or rent, the economy could slide back into recession.

Mr. Speaker, we wouldn't be here if our Republican colleagues in the Senate had blocked previous legislation to extend unemployment benefits. I urge all my colleagues not turn our backs on those Americans who are out of a job and continue to struggle to find work.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in support of H.R. 5618, Restoration of Emergency Unemployment Compensation Act. If there is a single federal program that is absolutely critical to people in communities all across this Nation at this time, it would be unemployment compensation benefits. People cannot function without some means to subsist, while continuing to look for work that in many places in the country is just not there. Families have to feed children. Unemployed workers, many of whom rely on public transportation, need to be able to get to potential employers' places of work. Utility payments must be paid.

Most people use their unemployment benefits to pay for the basics. No one is getting rich from unemployment benefits, because the weekly benefit checks are solely providing for basic food, medicine, gasoline and other necessary things many individuals with no other means of income are not able to afford.

Personal and family savings have been exhausted and 401(k)s have been tapped, leaving many individuals and families desperate for some type of assistance until the economy improves and additional jobs are created. The extension of unemployment benefits for the long-term unemployed is an emergency. You do not play with people's lives when there is an emergency. Unemployment is an emergency. Just ask someone who has been unemployed and looking for work, and they will tell you the same.

With a national unemployment rate of 9.7 percent, preventing and prolonging people from receiving unemployment benefits is a national tragedy. In the city of Houston, the unemployment rate stands at 8.3 percent, with more than 241,152 individuals remaining unemployed. Indeed, I cannot tell you how difficult it has been to explain to my constituents who are unemployed that there will be no further extension of unemployment benefits until the Congress acts. Whether the justification for inaction is the size of the debt or the need for deficit reduction, it is clear that it is more prudent to act immediately to give individuals and families looking for work a means to survive the hot summer of 2010—only made more unbearable by this nonsensical approach to their plight.

H.R. 5618 is just the right measure at the right time. The legislation will send a message to the Nation's unemployed, that this Congress is dedicated to helping those trying to help themselves. Until the economy begins to create more jobs at a much faster pace, and the various stimulus programs continue to ac-

celerate project activity in the economy, we cannot sit idly and ignore the unemployed. As such, I urge my colleagues to support H.R. 5618.

Mr. LEVIN. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. LEVIN) that the House suspend the rules and pass the bill, H.R. 5618.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. CAMP. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### PROVIDING FOR RECONSIDERATION AND REVISION OF PROPOSED CONSTITUTION OF THE UNITED STATES VIRGIN ISLANDS

Mrs. CHRISTENSEN. Mr. Speaker, I move to suspend the rules and pass the joint resolution (S.J. Res. 33) to provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

The Clerk read the title of the joint resolution.

The text of the joint resolution is as follows:

##### S.J. RES. 33

Whereas Congress, recognizing the basic democratic principle of government by the consent of the governed, enacted Public Law 94-584 (94 Stat. 2899) authorizing the people of the United States Virgin Islands to organize a government pursuant to a constitution of their own adoption;

Whereas a proposed constitution to provide for local self-government for the people of the United States Virgin Islands was submitted by the President to Congress on March 1, 2010, pursuant to Public Law 94-584;

Whereas Congress, pursuant to Public Law 94-584, after receiving a proposed United States Virgin Islands constitution from the President may approve, amend, or modify the constitution by joint resolution, but the constitution "shall be deemed to have been approved" if Congress takes no action within "sixty legislative days (not interrupted by an adjournment sine die of the Congress) after its submission by the President";

Whereas in carrying out Public Law 94-584, the President asked the Department of Justice, in consultation with the Department of the Interior, to provide views on the proposed constitution;

Whereas the Department of Justice concluded that several features of the proposed constitution warrant analysis and comment, including—

(1) the absence of an express recognition of United States sovereignty and the supremacy of Federal law;

(2) provisions for a special election on the territorial status of the United States Virgin Islands;

(3) provisions conferring legal advantages on certain groups defined by place and timing of birth, timing of residency, or ancestry;

(4) residence requirements for certain offices;

(5) provisions guaranteeing legislative representation of certain geographic areas;

(6) provisions addressing territorial waters and marine resources;

(7) imprecise language in certain provisions of the bill of rights of the proposed constitution;

(8) the possible need to repeal certain Federal laws if the proposed constitution of the United States Virgin Islands is adopted; and

(9) the effect of congressional action or inaction on the proposed constitution; and

Whereas Congress shares the concerns expressed by the executive branch of the Federal Government on certain features of the proposed constitution of the United States Virgin Islands and shares the view that consideration should be given to revising those features: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SENSE OF CONGRESS ON PROPOSED CONSTITUTION FOR UNITED STATES VIRGIN ISLANDS.

It is the sense of Congress that Congress—

(1) recognizes the commitment and efforts of the Fifth Constitutional Convention of the United States Virgin Islands to develop a proposed constitution; and

(2) urges the Fifth Constitutional Convention of the United States Virgin Islands to reconvene for the purpose of reconsidering and revising the proposed constitution in response to the views of the executive branch of the Federal Government.

#### SEC. 2. REVISION OF PROPOSED CONSTITUTION.

Section 5 of Public Law 94-584 (90 Stat. 2900) is amended—

(1) by designating the first, second, third, and fourth sentences as subsections (a), (b), (d), and (e), respectively;

(2) in subsection (b) (as so designated)—

(A) by striking "within" and all that follows through "after" and inserting "within 60 legislative days after"; and

(B) by inserting "or has urged the constitutional convention to reconvene," after "in whole or in part,";

(3) by inserting after subsection (b) (as so designated) the following:

"(c) REVISION OF PROPOSED CONSTITUTION.—

"(1) IN GENERAL.—If a convention reconvenes and revises the proposed constitution, the convention shall resubmit the revised proposed constitution simultaneously to the Governor of the Virgin Islands and the President.

"(2) COMMENTS OF PRESIDENT.—Not later than 60 calendar days after the date of receipt of the revised proposed constitution, the President shall—

"(A) notify the convention, the Governor, and Congress of the comments of the President on the revised proposed constitution; and

"(B) publish the comments in the Federal Register."; and

(4) in subsection (d) (as so designated), by inserting "under subsection (b) (or, if revised pursuant to subsection (c), on publication of the comments of the President in the Federal Register)" after "or modified".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) and the gentleman from Washington (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentlewoman from the Virgin Islands.

##### GENERAL LEAVE

Mrs. CHRISTENSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in

which to revise and extend their remarks and to include extraneous material on the joint resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from the Virgin Islands?

There was no objection.

Mrs. CHRISTENSEN. I yield myself such time as I may consume.

Mr. Speaker, Senate Joint Resolution 33 was introduced by the chairman of the Senate Energy and Natural Resources Committee, Jeff Bingaman, to respond to concerns raised with the fifth proposed constitution for the United States Virgin Islands.

In order to encourage the adoption of their own constitutions, Congress in 1976 enacted legislation to authorize the people of the Virgin Islands and Guam to convene constitutional conventions and write their own local constitutions. This act, Public Law 94-528, sets out parameters that the supremacy of the United States Constitution must be recognized and adhered to as well as a process for the Federal review of any proposed constitution, including 60-day periods for both Presidential and congressional reviews. We are at the very end of the time prescribed for congressional action.

The U.S. Virgin Islands, an unincorporated territory acquired by the United States from Denmark in 1917, is one of only two U.S. States and territories that does not have a constitution written by the people who determine its basic governmental organization and structure. Instead, for more than half a century, the Virgin Islands have been under the governance of a Federal law known as the Revised Organic Act of 1954. Since 1964, the people of the Virgin Islands have attempted five times to write a constitution that brings the territory governance from the people. The first four efforts were unsuccessful.

On December 31, 2009, the Governor of the Virgin Islands submitted to President Obama a constitution drafted by the Fifth Constitutional Convention of the United States Virgin Islands. As required by Public Law 94-584, the President transmitted the constitution to Congress on March 1, 2010, for consideration.

In his submittal letter to Congress, President Obama indicated that he asked the Department of Justice, in consultation with the Department of the Interior, to provide their views on the proposed constitution. The Department of Justice, in a memorandum which accompanied the President's submittal letter, concluded that several features of the proposed constitution warranted analysis and comment and outlined at least eight areas in the proposed constitution that the Department of Justice believes should either be removed from the constitution or modified.

The resolution we are considering today attempts to respond to the concerns about the proposed constitution

raised by the Justice Department by providing for its reconsideration and revision to correct provisions that are inconsistent with the United States Constitution and Federal law. It is a clear statement from Congress that the convention should consider these provisions; although, it does not dictate what the outcome of the "reconsiderations" should be.

This resolution also represents a compromise, and because of the importance of this document and the process to my constituents and to me, I would like to explain the journey that I have gone through as their Representative in the only branch of local or national government with the authority to make any changes.

Regardless of my personal opinion or understanding of the unique circumstances of the U.S. Virgin Islands, the document adopted by the convention does not meet the dictates of the act which authorized its creation.

My initial position was that we as a Congress should exercise our authority and amend it before sending the document back to the people of the Virgin Islands to vote on. I still feel strongly that the people at home are entitled to and deserve a constitutionally sound document upon which to come out and cast their votes. That has not changed.

Yet, after listening to the testimony given in the Congress—and when at home—to the many sides of the issue and after listening to the varied opinions of a broad cross-section of my community, a different position evolved. Despite my misgivings on the constitutionality of the document, my views became more consistent with my long held stance that the people of the territories should be the ones to decide on issues of their self-governance.

The people of the Virgin Islands voted for delegates to the Constitutional Convention. We as a Congress and I as their elected Representative should honor their position and their work on the people's behalf. Further, any provision that is unconstitutional would not stand, and therefore, no one need fear that any rights guaranteed by the U.S. Constitution would in any way be abridged.

The Senate felt differently. There was a degree of outrage at what appeared on the surface to be a denial of equal protection under the law. Although they first thought to reject the document outright, that was not an option, and so they were prepared to amend it.

The resolution which is before us today represents a compromise that I negotiated and which protects the right of the people of the Virgin Islands to draft and adopt a constitution of their own writing; and I do believe that, although the definitions of native and ancestral could be included to follow the dictates, however, of the authorizing act, any rights and privileges ascribed to them would need to be amended in the reconvening of the convention. There is precedent for the con-

vention's reconvening to address administration concerns, as it happened in the case of the fourth constitutional draft document.

As I stated in my testimony before the Senate, it had been my hope that, once reconvened as prescribed in this resolution, no matter what was or was not done, the resulting document would go directly to the people of the USVI for the vote. I did not prevail in that argument, but given the constraints of time imposed by the other body's late action and the delays in reaching agreement on the resolution's being placed on the suspension calendar, I hope that we will get this to the people in time for the constitution to reconvene.

With that, I ask my colleagues to support the passage of this measure so that we can get it done today and get it to the President for his signature.

I reserve the balance of my time.

Mr. HASTINGS of Washington. I yield myself such time as I may consume.

Mr. Speaker, the adoption of a constitution by the U.S. Virgin Islands will provide additional autonomy for that territory. However, any constitution that is adopted should not be in conflict with the U.S. Constitution, as noted by the extensive comment provided by the U.S. Justice Department.

□ 1320

The House therefore should pass Senate Joint Resolution 33 today to state concerns with the Virgin Islands draft Constitution and urge remedying these issues.

Ms. BORDALLO. Mr. Speaker, I rise to address the House regarding S.J. Res. 33, which the other body passed on June 17, 2010, and which relates to a proposed Constitution of the Virgin Islands of the United States adopted by the Fifth Constitutional Convention in the territory on May 26, 2009. This particular proposed Constitution was received by the House from the President of the United States with his comments earlier this year, and was read and referred to the Committee on Natural Resources. On March 17, 2010, I chaired an oversight hearing of the Subcommittee on Insular Affairs, Oceans and Wildlife for the purpose of receiving testimony about the proposed Constitution. Testimony was received from a representative of the United States Department of Justice and from leaders in the Virgin Islands, including the Governor and the President of and five other Delegates seated to the Fifth Constitutional Convention. Witnesses addressed both the drafting and review process for the proposed Constitution as well as its substance. Most importantly, witnesses emphasized the meaning that the drafting and adoption of a constitution by and for the people of the Virgin Islands holds for our democracy and for an increased level of self-government for them.

An Act of the 94th Congress codified in Title 48 of the United States Code provides for a Congressional review process for any proposed and locally drafted Constitution for either the Virgin Islands or Guam. Both territories are the only organized jurisdictions presently under the U.S. Flag for which local government is not organized pursuant to a locally

drafted and adopted Constitution. Indeed, a principal purpose of the Act of the 94th Congress, U.S. Public Law 94–584, which governs this process, was to enable the people of both territories to organize a government pursuant to a Constitution of their own adoption and structured in accordance with their vision.

Absent such a locally adopted Constitution, the governments of the Virgin Islands and Guam have been organized by and derive legitimacy from separate Acts of Congress, which for all intents and purposes serve as de facto Constitutions for the respective territories. These statutes are the Revised Organic Act of 1954 for the Virgin Islands, which superseded the Organic Act of 1936, and the Organic Act of 1950 for Guam.

The people of the Virgin Islands have duly elected five Constitutional Conventions since the enactment of the Revised Organic Act of 1954. Two Conventions in the Virgin Islands were convened prior to the enactment of U.S. Public Law 94–584—in 1964 and 1972, respectively—and three since—in 1978, 1980, and the most recent, the fifth such Convention convened in 2007. Positive steps toward increased self-government for the people of the Virgin Islands were realized as a result of the work of the 1964 and 1972 conventions, including an amendment by Congress to the Revised Organic Act that allowed for the Governor of the Virgin Islands to be chosen by popular election beginning in 1965. The work of the third and fourth conventions resulted in transmittals of whole proposed Constitutions to the Congress, and similarly served as a continued exercise of and toward greater self-government for the people of the Virgin Islands.

In 1977, one year following the enactment of U.S. Public Law 94–584, a Constitutional Convention was convened in Guam and composed of Delegates elected by the people of Guam. The particular proposed Constitution drafted by that Convention was not ultimately adopted by the people of Guam. Discussion arose then among the voters and leaders of Guam about whether approval of local constitutional government in Guam might preclude or be prejudicial to the exercise of their right to self-determination, and efforts in subsequent years were concentrated predominately on resolving the territory's ultimate political status.

The Fifth Constitutional Convention of the Virgin Islands marks another point in the continued journey of the people of the Virgin Islands toward increased self-governance and their commitment to a democratic form of government. The President noted such in his comments to Congress on this most recent, proposed Constitution. While certain legal questions have been raised regarding several of its features that are noted in the President's comments, the proposed Constitution in and of itself represents significant effort and work undertaken by leaders in the Virgin Islands dedicated to their community and to our democracy.

I commend the leadership that our colleague, Mrs. CHRISTENSEN, has brought to bear in this process and in all issues pertaining to governance in the territories. This body is now considering a measure that the Senate has sent to us. I would be remiss if I did not note the implications for my district, Guam. As leaders in Guam may in the future decide to again take up the work to draft and adopt a Constitution locally, it is important that

Congress remain cognizant of and open to such opportunity.

S.J. Res. 33 proposes to amend the underlying statutory scheme governing such a process to allow for formal revision of a proposed Constitution after it has been initially transmitted to the President and Congress. In doing so, it requires a reconvened Constitutional Convention to resubmit a proposed Constitution in any form it may so revise it to the Governor of the Virgin Islands and the President. In amending Section 5 of U.S. Public Law 94–584 for this purpose, S.J. Res. 33 would separate and designate as separate subsections the existing four sentences of such Section. Additionally, it would insert a new subsection (c) in the middle of the existing language to provide for the resubmitting requirement. However, the proposed amendment of the Senate would only insert a reference to the Governor of the Virgin Islands in this instance despite the fact the underlying statute is structured such that the process is to apply both to the Virgin Islands and Guam, respectively. Revisiting this language may become important should leaders in Guam at any point in the future again convene a Constitutional Convention.

Ultimately, it is important for Congress to remain responsive to and supportive of leaders in both territories as they work to advance local self-government and provide for the rule of law.

Mr. HASTINGS of Washington. I yield back the balance of my time.

Mrs. CHRISTENSEN. I thank my colleague for his support. As we said, we are at the very last few days with which the Congress has been prescribed to act, and I ask for support of this measure.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) that the House suspend the rules and pass the joint resolution, S.J. Res. 33.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

#### FOUNTAINHEAD PROPERTY LAND TRANSFER ACT

Mr. BOREN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1554) to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1554

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "Fountainhead Property Land Transfer Act".

##### SEC. 2. TRANSFER OF LAND; LAND INTO TRUST.

(a) IN GENERAL.—Immediately after completion of the survey required under sub-

section (b), the receipt of consideration and costs required under subsection (c), and satisfaction of all terms specified by the Secretary and the Secretary of the Army under subsection (d), administrative jurisdiction of the Property shall be transferred from the Secretary of the Army to the Secretary, and the Secretary shall take the Property into trust for the benefit of the tribe.

(b) SURVEY.—The exact acreage and legal description of the Property shall be determined by a survey satisfactory to the Secretary and the Secretary of the Army.

(c) CONSIDERATION; COSTS.—The tribe shall pay—

(1) to the Secretary of the Army fair market value of the Property, as determined by the Secretary of the Army; and

(2) all costs and administrative expenses associated with the transfer of administrative jurisdiction of the Property and taking the Property into trust pursuant to subsection (a), including costs of the survey provided for in subsection (b) and any environmental remediation.

(d) OTHER TERMS AND CONDITIONS.—The transfer of administrative jurisdiction of the Property and taking the Property into trust shall be subject to such other terms and conditions as the Secretary and the Secretary of the Army consider appropriate to protect the interests of the United States, including reservation of flowage easements consistent with the Acquisition Guide Line for Flowage Easement for the Lake Eufaula project and other applicable policies for that project.

(e) DEFINITIONS.—For the purposes of this section:

(1) PROPERTY.—The term "Property" means, subject to valid existing rights, all right, title, and interest of the United States in and to the Federal land generally described as the approximately 18 acres of Federal land located in McIntosh County, Oklahoma, within the boundary of the Muscogee (Creek) Nation and located in the northwest quarter of section 3, township 10 north, range 16 east, McIntosh County, Oklahoma, at Lake Eufaula.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(3) TRIBE.—The term "tribe" means the Muscogee (Creek) Nation.

(f) GAMING PROHIBITION.—The tribe may not conduct on any land taken into trust pursuant to this Act any gaming activities—

(1) as a matter of claimed inherent authority; or

(2) under any Federal law, including the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) and any regulations promulgated by the Secretary or the National Indian Gaming Commission pursuant to that Act.

(g) SAVINGS PROVISION.—Nothing in this section shall be construed to affect or limit the application of, or any obligation to comply with, any environmental law, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(h) PAYGO.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oklahoma (Mr. BOREN) and the gentleman from Washington (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentleman from Oklahoma.



## GENERAL LEAVE

Mr. BOREN. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOREN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1554 would take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee Creek Nation.

The Creek Nation has over 69,000 enrolled citizens at its headquarters in my district in beautiful eastern Oklahoma. As part of their effort to provide economic development in this very rural area of Oklahoma, the Nation purchased the Fountainhead Lodge and 48 surrounding acres from the State of Oklahoma.

Fountainhead was once touted as the State's premier resort lodge, but the property had fallen into disrepair. The Creek Nation hopes to turn the property into a destination resort at Lake Eufaula, bringing much-needed tourism dollars to this distressed area, one of the poorest in the Nation.

The property included a hotel, recreational building and duplex cabins, as well as 18 acres of Army Corps of Engineers land that came with the property as a lease. A subsequent survey determined that the recreational building was located entirely on the Corps' land. The Corps suggested that they transfer the ownership of the leased land to the Creek Nation to assist in the development of the property.

On April 21, 2010, the Committee on Natural Resources held a hearing on this legislation. The administration testified in support of the bill, but expressed concerns with the manner in which it was drafted. At the full committee markup, I offered an amendment in the nature of a substitute to address their concerns. The bill as amended was favorably reported by voice vote.

Additional changes have been made to H.R. 1554. The bill now prohibits gaming on the lands that are subsequent to this legislation. Further, a provision was added to ensure that if there are hazardous materials on the lands, the Federal Government remains responsible for cleaning them up. Finally, language was added to account for any budgetary impacts this legislation may have.

Enactment of H.R. 1554 would allow the Creek Nation to move forward with their plans to build a full-scale lake resort. This project will bring hundreds of much-needed jobs and economic prosperity to the region. Resolutions of support for this project have been passed by members of the legislature from the Lake Eufaula area, Checotah Chamber of Commerce, City of Henryetta, City of Eufaula, and the Lake Eufaula Association.

I ask my colleagues to support passage of this legislation.

Mr. Speaker, I submit for the RECORD an exchange of letters between the Committee on Natural Resources and the Committee on Transportation and Infrastructure concerning H.R. 1554.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON NATURAL RESOURCES,  
Washington, DC, June 28, 2010.

Hon. JAMES OBERSTAR,  
Chairman, Committee on Transportation and  
Infrastructure, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your willingness to expedite floor consideration of H.R. 1554, a bill to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation.

I appreciate your willingness to waive rights to further consideration of H.R. 1554, notwithstanding the jurisdictional interest of the Committee on Transportation and Infrastructure. Of course, this waiver does not prejudice any further jurisdictional claims by your Committee over this legislation or similar language. Furthermore, I agree to support your request for appointment of conferees from the Committee on Transportation and Infrastructure if a conference is held on this matter.

This exchange of letters will be placed in the committee report and inserted in the Congressional Record as part of the consideration of the bill on the House floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our respective committees.

With warm regards, I am

Sincerely,

NICK J. RAHALL II,  
Chairman, Committee on Natural Resources.

HOUSE OF REPRESENTATIVES, COM-  
MITTEE ON TRANSPORTATION AND  
INFRASTRUCTURE,  
Washington, DC, June 28, 2010.

Hon. NICK RAHALL,  
Chairman, Committee on Natural Resources,  
Washington, DC.

DEAR CHAIRMAN RAHALL: I write to you regarding H.R. 1554, a bill to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation.

H.R. 1554 contains provisions that fall within the jurisdiction of the Committee on Transportation and Infrastructure. I recognize and appreciate your desire to bring this legislation before the House in an expeditious manner and, accordingly, I will not seek a sequential referral of the bill. However, I agree to waive consideration of this bill with the mutual understanding that my decision to forgo a sequential referral of the bill does not waive, reduce, or otherwise affect the jurisdiction of the Committee on Transportation and Infrastructure over H.R. 1554.

Further, the Committee on Transportation and Infrastructure reserves the right to seek the appointment of conferees during any House-Senate conference convened on this legislation on provisions of the bill that are within the Committee's jurisdiction. I ask for your commitment to support any request by the Committee on Transportation and Infrastructure for the appointment of conferees on H.R. 1554 or similar legislation.

Please place a copy of this letter and your response acknowledging the Committee on Transportation and Infrastructure's jurisdictional interest in the Committee Report on H.R. 1554 and in the Congressional Record during consideration of the measure in the House.

I look forward to working with you as we prepare to pass this important legislation.

Sincerely,

JAMES L. OBERSTAR, M.C.,  
Chairman.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Oklahoma has adequately described the purpose of this bill. I am pleased to lend my support to this bill, which will enable the Muscogee Creek Nation of Oklahoma to acquire land and put it into productive use at no cost to the taxpayer.

I also appreciate the sponsor, the gentleman from Oklahoma, and the chairman of the committee, for ironing out the minor technical concerns that were brought up in relation to gaming in the original version of the bill. I think those improvements add to this bill. This is a good bill as it has been amended, and I urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. BOREN. Mr. Speaker, I also want to particularly thank the chairman for allowing us to have the hearing and for the markup, but I really want to say a special thank you to the ranking member and his staff for working with us on these technical changes and making sure that everything was ironed out.

I want to thank the Creek Nation for all the hard work it has put into this legislation. I want to thank the Chief, the Council, and all the community leaders that have made this possible. I ask for a "yes" vote.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma (Mr. BOREN) that the House suspend the rules and pass the bill, H.R. 1554, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. BOREN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### INDIAN PUEBLO CULTURAL CENTER CLARIFICATION ACT

Mr. HEINRICH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4445) to amend Public Law 95-232 to repeal a restriction on treating as Indian country certain lands held in trust for Indian pueblos in New Mexico, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4445

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*



**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Indian Pueblo Cultural Center Clarification Act”.

**SEC. 2. REPEAL OF RESTRICTION ON TREATING AS INDIAN COUNTRY CERTAIN LANDS HELD IN TRUST FOR INDIAN PUEBLOS IN NEW MEXICO.**

Public Law 95-232 is amended in the first section in subsection (b) by striking “However, such property shall not be ‘Indian country’ as defined in section 1151 of title 18, United States Code.”.

**SEC. 3. PROHIBITION ON GAMING.**

Public Law 95-232 is amended in the first section by adding at the end the following:

“(e) **PROHIBITION ON GAMING.**—Gaming, as defined and regulated by the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.), shall be prohibited on land held in trust pursuant to subsection (b).”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico (Mr. HEINRICH) and the gentleman from Washington (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentleman from New Mexico.

**GENERAL LEAVE**

Mr. HEINRICH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HEINRICH. Mr. Speaker, I yield myself such time as I may consume.

The Indian Pueblo Cultural Center Clarification Act is an important step that will help keep the Indian Pueblo Cultural Center serving our community and our Nation.

Founded in 1976 to celebrate the history and accomplishments of our State’s 19 Indian Pueblos, the IPCC includes a museum that honors the continuing contributions of Pueblo people to our State in their own words. The IPCC continues to serve as a gathering space for Pueblo leaders to meet and discuss issues of importance to the 19 Indian Pueblos.

□ 1330

The IPCC property sits on land that was put into trust for New Mexico’s pueblos in 1978, when the Albuquerque Indian School was closed by the Bureau of Indian Education. However, in recent years, disagreement has arisen about the land’s tax status. This legislation will remove a clause in the current law that states that this land is not “Indian Country,” thereby ensuring that commercial activity on this site remains exempt from State taxation, just like all other trust land.

The bill also includes a clause that explicitly prohibits gaming at the Indian Pueblo Cultural Center site, which has earned the support of the All-Indian Pueblo Council, the State of New Mexico, and the city of Albuquerque. Although it was not the intention of the All-Indian Pueblo Council to engage in gaming at this location, that provision puts to rest any concerns of residents who live nearby.

I thank each of the parties who have come to the table in this effort to bolster a place loved by so many across New Mexico’s First Congressional District and across our Nation. I’d also like to thank my colleagues from New Mexico, Representative TEAGUE and Representative LUJÁN, for their support as well.

Mr. Speaker, the House Natural Resources Committee reported this bill by unanimous consent on June 16 of this year, and I would ask my colleagues to support the passage of H.R. 4445.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, the gentleman from New Mexico has adequately explained the purpose of H.R. 4445. As long as the pueblos and the State of Mexico are comfortable with this legislation, I have no objection to passing it today.

Mr. Speaker, I yield back the balance of my time.

Mr. HEINRICH. Mr. Speaker, I would simply urge my colleagues to support H.R. 4445, as amended, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico (Mr. HEINRICH) that the House suspend the rules and pass the bill, H.R. 4445, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. HEINRICH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair’s prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

**SALMON LAKE LAND SELECTION RESOLUTION ACT**

Mr. HEINRICH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2340) to resolve the claims of the Bering Straits Native Corporation and the State of Alaska to land adjacent to Salmon Lake in the State of Alaska and to provide for the conveyance to the Bering Straits Native Corporation of certain other public land in partial satisfaction of the land entitlement of the Corporation under the Alaska Native Claims Settlement Act, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2340

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Salmon Lake Land Selection Resolution Act”.

**SEC. 2. PURPOSE.**

The purpose of this Act is to ratify the Salmon Lake Area Land Ownership Consolidation

Agreement entered into by the United States, the State of Alaska, and the Bering Straits Native Corporation.

**SEC. 3. DEFINITIONS.**

In this Act:

(1) **AGREEMENT.**—The term “Agreement” means the document—

(A) titled “Salmon Lake Area Land Ownership Consolidation Agreement”;

(B) between the United States, the State, and the Bering Straits Native Corporation on July 18, 2007, which was extended until January 1, 2011, by agreement of the parties to the Agreement effective January 1, 2009; and

(C) on file with—

(i) the Department of the Interior;

(ii) the Committee on Energy and Natural Resources of the Senate; and

(iii) the Committee on Natural Resources of the House of Representatives.

(2) **BERING STRAITS NATIVE CORPORATION.**—The term “Bering Straits Native Corporation” means an Alaska Native Regional Corporation formed under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) for the Bering Straits region of the State.

(3) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

(4) **STATE.**—The term “State” means the State of Alaska.

**SEC. 4. RATIFICATION OF AGREEMENT.**

(a) **IN GENERAL.**—Subject to the provisions of this Act, Congress ratifies the Agreement.

(b) **EASEMENTS.**—The conveyance of land to the Bering Straits Native Corporation, as specified in the Agreement, shall include the reservation of the easements that—

(1) are identified in Appendix E to the Agreement; and

(2) were developed by the parties to the Agreement in accordance with section 17(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1616(b)).

(c) **CORRECTIONS.**—Beginning on the date of the enactment of this Act, the Secretary, with the consent of the other parties to the Agreement, may only make typographical or clerical corrections to the Agreement and any exhibits to the Agreement.

(d) **GENERAL AUTHORITY OF SECRETARY.**—The Secretary may carry out all actions allowed or required under the Agreement.

**SEC. 5. BUDGETARY EFFECTS.**

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico (Mr. HEINRICH) and the gentleman from Washington (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentleman from New Mexico.

**GENERAL LEAVE**

Mr. HEINRICH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HEINRICH. Mr. Speaker, I yield myself such time as I may consume.

H.R. 2340 would ratify an agreement between the United States, the Bering

Straits Native Corporation, and the State of Alaska. The underlying agreement provides for the conveyance of certain Federal lands to the Bering Straits Native Corporation and to the State of Alaska. The Alaska Native Claims Settlement Act was enacted in 1971. It was intended to resolve long-standing issues surrounding native land claims in Alaska. Under this act, Alaska Native regional corporations are entitled to a certain amount of public lands. The Bering Straits Native Corporation is one of those regional corporations entitled to certain lands.

In addition, the Alaska Statehood Act grants the State of Alaska the opportunity to select a certain amount of public lands for the State's benefit. Normally, legislation is not required to implement these selections. In this case, however, both the State and the Native corporations selected some of the same lands. After years of negotiations, the parties, along with the United States, arrived at an agreement to resolve this conflict.

I want to commend our colleague, Mr. YOUNG of Alaska, for his hard work and dedication to this legislation, and I ask my colleagues to support its passage.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this bill as sponsored by our colleague from Alaska (Mr. YOUNG). It resolves overlapping selections to the same parcels of land that were filed by the State of Alaska and the Bering Straits Native Corporation pursuant to the Alaska Statehood Act and the Alaska Native Claims Settlement Act. As we learned during the committee hearing on this bill, there is no opposition to its enactment. So I am pleased to support this bill.

I yield back the balance of my time.

Mr. HEINRICH. Mr. Speaker, I urge my colleagues to support H.R. 2340, as amended, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico (Mr. HEINRICH) that the House suspend the rules and pass the bill, H.R. 2340, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. HEINRICH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

#### SUPPORTING NATIONAL POLLINATOR WEEK

Mr. CARDOZA. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1460) recognizing the important role pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

#### H. RES. 1460

Whereas bees, birds, butterflies, and other pollinators are vital to sustaining a healthy ecosystem;

Whereas pollinators are responsible for an estimated 1 out of every 3 bites of food that we eat;

Whereas diversity of pollinators is necessary for diversity of plant life and the security of our food supply;

Whereas a decline in pollinators would adversely impact animal species that eat pollinating plants;

Whereas colony collapse disorder has caused an alarming decline in the population of honey bees, one of the most important pollinators;

Whereas the United States Senate designated the last week of June as National Pollinator Week in 2006; and

Whereas the majority of States have recognized June 21–27, 2010, as National Pollinator Week: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) recognizes the importance of pollinators in agriculture and in maintaining our diverse ecosystem; and

(2) supports the goals and ideals of National Pollinator Week.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. CARDOZA) and the gentleman from Oklahoma (Mr. LUCAS) each will control 20 minutes.

The Chair recognizes the gentleman from California.

#### GENERAL LEAVE

Mr. CARDOZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CARDOZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of House Resolution 1460, recognizing the important role that pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week.

Approximately three-quarters of the world's 250,000 flowering plants require pollinators to facilitate reproduction. In addition, nearly 130 different crops that provide more than \$15 billion per year in farm gate value would cease to exist without our pollinators. In California alone, some 1.3 million beehives pollinate over 600,000 acres of almond trees. There is no doubt that without the healthy population of pollinators that we currently have, our Nation's

farmers will not be able to continue to grow many of the high quality and nutritious foods that we enjoy today.

The House Agriculture Committee has paid special attention to the issue facing pollinators, holding several hearings in recent years to review the status of pollinator health issues and including funds in the 2008 farm bill to conduct much-needed research on pollinator health. I'm proud to support this resolution brought by my colleague today, which recognizes the importance of pollinators supporting diverse ecosystems and the crops that produce so many of the foods grown across this great Nation. I urge my colleagues to support this resolution.

I reserve the balance of my time.

□ 1340

Mr. LUCAS. Mr. Speaker, I yield myself such time as I might consume.

I rise in support of House Resolution 1460, recognizing the important role pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week.

More than 32 State Governors designated the last week of June as Pollinator Week to bring awareness to the important role pollinators play in our food supply and ecosystem. In my home State of Oklahoma, Pollinator Week was celebrated with a variety of activities and exhibits across the State, including those at the Oxley Nature Center in Tulsa. On a national level, the Pollinator Partnership has launched a Web-based program to highlight specific actions that school groups, farmers, gardeners, and others can take to support pollinators.

It is important that we bring awareness to the importance of pollinators, given the fact that most pollinating species are in a decline. Colony Collapse Disorder, commonly referred to as CCD, continues to plague honeybees and will be a major concern to beekeepers and agricultural communities.

Over the past several years, the honeybee population has experienced a dramatic decline due to a variety of factors, including loss of habitat, introduction of diseases and pests, and migratory stress. All of these factors have contributed to higher operating costs for the pollinator industry as well as the agricultural producers who rely on a readily available supply of pollinator bees.

Pollination activities by honeybees add more than \$15 billion annually to the value of U.S. crops. With one-third of our food supply dependent upon pollination by honeybees, we need to have a solid understanding of CCD and how to eradicate it.

I commend researchers from the Federal and State level as well as the industry, State universities, and State Departments of Agriculture for coming together under the CCD Working Group. I am hopeful that this collective group of experts can get to the bottom of this very important problem.

Mr. Speaker, I urge my colleagues to join me in recognizing the valuable

contribution of America's pollinator industry by supporting House Resolution 1460.

I have no further requests for time, and I reserve the balance of my time.

Mr. CARDOZA. Mr. Speaker, I thank my colleague from Oklahoma, my good friend, for his support of this resolution.

At this time, I yield such time as he may consume to the author of the resolution, the gentleman from Florida (Mr. HASTINGS), who, without his help, we would not have been able to pass the farm bill in 2008. He has been continuously an advocate for pollinator research and for making sure that specialty crops get their due day in the sun.

Mr. HASTINGS of Florida. I thank my good friend from California for yielding the time.

Mr. Speaker, today the House is going to consider H. Res. 1460, which honors National Pollinator Week. With the efforts of the Pollinator Partnership, a majority of States and a number of Federal agencies, including the Department of Agriculture, have officially recognized June 21 through June 27, 2010, as a time to reflect upon the importance of, and challenges facing, these species.

The resolution, as offered, acknowledges how vital bees and other pollinators are to our ecosystem and agriculture and supports the goals and ideals of National Pollinator Week.

As mentioned by my colleague, 75 percent of all flowering plant species rely on creatures like birds, bats, bees, and butterflies for fertilization. It would be a misconception, however, to think that pollinators are only important to plants and provide little benefit to us. In fact, one out of every three bites of food that we eat as well as \$20 billion of products in the United States alone are derived from pollinators. In light of those kinds of figures, the security of our food supply clearly hinges on the survival of these species.

National Pollinator Week is a time to reflect upon these contributions and what we can do to help preserve these animals. On a similar note, Mr. Speaker, to further emphasize the importance of this issue, I recently participated in cofounding and am now co-chair of the Congressional Pollinator Protection Caucus, along with Representative TIM JOHNSON, Representative CARDOZA, and Representative HENRY BROWN of South Carolina. The caucus is a bipartisan source of information and discussion related to how natural, political, and economic developments impact the security of pollinators and their habitats.

Last week, a briefing on the future of pollinators and in recognition of National Pollinator Week was held in conjunction with the caucus and was a tremendous success. We are planning more events and briefings to keep Members and their staffs informed on this important issue. I urge all of my colleagues to become members of the

Congressional Pollinator Protection Caucus.

Mr. Speaker, National Pollinator Week provides us with an opportunity to recognize how important pollinators are to the sustainability of our environment and to our food supply.

You know, Mr. CARDOZA, several in my local media and throughout have come forward with all sorts of humor about this; you know, "It bees that way," and "It's the buzz" and a whole bunch of these things. But when all is said and done, I think we all recognize that beyond the humor, this is a critically serious matter for the food supply of this Nation and, indeed, the world.

Therefore, I strongly urge my colleagues to vote in favor of this resolution, and I thank you for yielding me the time.

Mr. LUCAS. Mr. Speaker, I yield myself such time as I may consume simply to close by thanking my colleagues Mr. CARDOZA, Mr. HASTINGS, and Mr. JOHNSON for their work on this important issue. It does make a tremendous difference in our ecology, and certainly with a \$15 billion tag, the effect of losing these pollinators on our agricultural economy, it's important to every consumer and every pocketbook.

With that, I yield back the balance of my time.

Mr. CARDOZA. Mr. Speaker, I want to again thank my colleague from Oklahoma for his gracious advocacy on behalf of this issue.

And to my colleague from Florida, if your media were to be without the products of these bees, that really, truly would be a news story, Mr. HASTINGS. I want to thank you for your tireless advocacy on behalf of pollinators and on behalf of agriculture generally.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. CARDOZA) that the House suspend the rules and agree to the resolution, H. Res. 1460.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. CARDOZA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

#### AIRPORT AND AIRWAY EXTENSION ACT OF 2010, PART II

Mr. LEWIS of Georgia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5611) to amend the Inter-

nal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5611

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Airport and Airway Extension Act of 2010, Part II".

#### SEC. 2. EXTENSION OF TAXES FUNDING AIRPORT AND AIRWAY TRUST FUND.

(a) FUEL TAXES.—Subparagraph (B) of section 4081(d)(2) of the Internal Revenue Code of 1986 is amended by striking "July 3, 2010" and inserting "August 1, 2010".

(b) TICKET TAXES.—

(1) PERSONS.—Clause (ii) of section 4261(j)(1)(A) of the Internal Revenue Code of 1986 is amended by striking "July 3, 2010" and inserting "August 1, 2010".

(2) PROPERTY.—Clause (ii) of section 4271(d)(1)(A) of such Code is amended by striking "July 3, 2010" and inserting "August 1, 2010".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 4, 2010.

#### SEC. 3. EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 is amended—

(1) by striking "July 4, 2010" and inserting "August 2, 2010"; and

(2) by inserting "or the Airport and Airway Extension Act of 2010, Part II" before the semicolon at the end of subparagraph (A).

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(e) of such Code is amended by striking "July 4, 2010" and inserting "August 2, 2010".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 4, 2010.

#### SEC. 4. EXTENSION OF AIRPORT IMPROVEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Section 48103(7) of title 49, United States Code, is amended to read as follows:

"(7) \$3,515,000,000 for fiscal year 2010."

(2) AVAILABILITY OF AMOUNTS.—Sums made available pursuant to the amendment made by paragraph (1) shall remain available until expended.

(b) PROJECT GRANT AUTHORITY.—Section 47104(c) of such title is amended by striking "July 3, 2010," and inserting "August 1, 2010,".

#### SEC. 5. EXTENSION OF EXPIRING AUTHORITIES.

(a) Section 40117(l)(7) of title 49, United States Code, is amended by striking "July 4, 2010," and inserting "August 2, 2010,".

(b) Section 44302(f)(1) of such title is amended—

(1) by striking "July 3, 2010," and inserting "August 1, 2010,"; and

(2) by striking "September 30, 2010," and inserting "October 31, 2010,".

(c) Section 44303(b) of such title is amended by striking "September 30, 2010," and inserting "October 31, 2010,".

(d) Section 47107(s)(3) of such title is amended by striking "July 4, 2010," and inserting "August 2, 2010,".

(e) Section 47115(j) of such title is amended by striking "July 4, 2010," and inserting "August 2, 2010,".

(f) Section 47141(f) of such title is amended by striking "July 3, 2010," and inserting "August 1, 2010."

(g) Section 49108 of such title is amended by striking "July 3, 2010," and inserting "August 1, 2010."

(h) Section 161 of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 47109 note) is amended by striking "July 4, 2010," and inserting "August 2, 2010."

(i) Section 186(d) of such Act (117 Stat. 2518) is amended by striking "July 4, 2010," and inserting "August 2, 2010."

(j) The amendments made by this section shall take effect on July 4, 2010.

#### SEC. 6. FEDERAL AVIATION ADMINISTRATION OPERATIONS.

Section 106(k)(1)(F) of title 49, United States Code, is amended to read as follows:

"(F) \$7,813,037,096 for the period beginning on October 1, 2009, and ending on August 1, 2010."

#### SEC. 7. AIR NAVIGATION FACILITIES AND EQUIPMENT.

Section 48101(a)(6) of title 49, United States Code, is amended to read as follows:

"(6) \$2,453,539,493 for the period beginning on October 1, 2009, and ending on August 1, 2010."

#### SEC. 8. RESEARCH, ENGINEERING, AND DEVELOPMENT.

Section 48102(a)(14) of title 49, United States Code, is amended to read as follows:

"(14) \$159,184,932 for the period beginning on October 1, 2009, and ending on August 1, 2010."

□ 1350

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. LEWIS) and the gentleman from Kentucky (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia.

#### GENERAL LEAVE

Mr. LEWIS of Georgia. Mr. Speaker, I ask unanimous consent to give Members 5 legislative days to revise and extend their remarks on the bill, H.R. 5611.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEWIS of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 5611, the Airport and Airway Extension Act, Part II.

As you know, the Trust Fund taxes and spending authority are scheduled to expire on July 3. This bill simply extends the authority one more month while we work together on a long-term solution.

Air travel plays a crucial and critical role in our economy and our lives. The world's busiest airport, Hartsfield-Jackson Atlanta International Airport is located in my congressional district. This airport alone has a direct impact of more than \$32.5 billion on the State of Georgia's economy. At a time when we are considering the importance of jobs and job creation, I would like to note that the airport is the second-largest employer in Georgia with 58,000 workers.

If Congress does not pass the bill, the Trust Fund will lose the revenue that

we need for airport construction and the Nation's air traffic control system.

Mr. Speaker, I ask all of my colleagues to come together and support this bipartisan legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DAVIS of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Kentucky. Mr. Speaker, I rise also in support of H.R. 5611. This is a straightforward and non-controversial bill to extend for 1 month, through August 1, the existing FAA authorization law, the excise taxes that support the Airport and Airway Trust Fund, and the Trust Fund's expenditure authority. The current FAA authorization, as well as the excise taxes and spending authorities, are currently scheduled to expire on July 3.

This extension will give Congress additional time to consider longer-term FAA reauthorization legislation and to determine whether modifications to the financing structure of the Airport and Airway Trust Fund are appropriate.

I would note, Mr. Speaker, that on March 25, 2010, the House passed the Senate amendment to H.R. 1586, a 4-year FAA reauthorization with an additional amendment, and the two Chambers are continuing to work to resolve their differences.

While the House-passed version of that broader legislation remains controversial for reasons unrelated to the provision within the Ways and Means Committee's jurisdiction, I'm pleased to report that the short-term extension we are considering today is supported by the bipartisan leadership of both the Ways and Means and the Transportation and Infrastructure committees.

It's important that we take this step to extend the current FAA authorization and its related excise taxes and expenditure authorities on a temporary basis, and I'm pleased to join with my colleagues across the aisle in support of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. COSTELLO), chairman of the Aviation Subcommittee.

Mr. COSTELLO. Mr. Speaker, I rise in support of H.R. 5611, the Airport and Airway Extension Act of 2010, Part II.

I want to thank my friend, Mr. LEWIS, from the Ways and Means Committee for yielding time to me to allow me to speak on this important legislation. And I thank Chairman OBERSTAR, Ranking Member MICA, and ranking member Mr. PETRI for working with me and all of us together to bring this bill to the floor today.

For the past 3 months, we have been working in a bipartisan manner with

our friends in the other body to bring a comprehensive Federal Aviation Administration reauthorization bill to the floor. We have worked through the majority of both bills, and only a few issues remain.

The bill before us today, H.R. 5611, will provide a short, 1-month extension of the FAA reauthorization bill through August 1, 2010, to allow us to finish our work before we adjourn for the August district work period.

This is a clean extension. Primarily, H.R. 5611 extends aviation taxes to support the Airport and Airways Trust Fund, which funds a large portion of the FAA's budget. The bill also extends the Airport Improvement Program contract authority to allow airports to continue critical safety and capacity enhancement projects.

Aviation is too critically important to our Nation's economy, contributing \$1.2 trillion in output and approximately 11.4 million jobs, to allow the taxes or the funding for critical aviation programs to expire. Congress must ensure that this extension passes today to ensure that our aviation system is not disrupted and continues to function safely.

Mr. Speaker, I urge my colleagues to support this legislation. And, again, I thank my friend from Georgia (Mr. LEWIS) for yielding me time.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Speaker, I thank my colleague, Representative DAVIS from Kentucky, for yielding me this time. And I also would like to express my appreciation for the way that my subcommittee chairman, Mr. COSTELLO, and chairman, Mr. OBERSTAR, and my colleague, Mr. MICA from Florida, have all been working on this conference and on this legislation now for longer than we would have liked. It's too bad that we have to do what will be, I guess, our 14th or 15th extension of the existing law. But it is, unfortunately, necessary to do that to give us time to complete work on the conference, which actually is well underway.

In May of last year, we passed the Reauthorization Act of 2009, H.R. 915. This March the Senate passed its own FAA reauthorization bill, which the House took up, amended, passed, and sent back to the Senate. While a conference has not been called, staff from both Chambers have been in informal discussions for months to reconcile the two versions of the bill. And while these discussions have led to tentative agreement on the vast majority of provisions, and there has been good work on both sides of the aisle on this, a number of controversial issues have stalled progress on a final agreement.

I am disappointed, myself, that several issues unrelated to important safety and modernization provisions in the reauthorization package are holding up final agreement on this legislation. Nevertheless, in order to allow the

FAA to continue operating uninterrupted, I support passage of the bill before us to extend FAA's funding and program authorization.

H.R. 5611, the bill before us, would extend the taxes, programs, and funding of the FAA to August 1 of this year. This bill provides just over \$3.5 billion in Airport Improvement Program funding, extends the War Risk Insurance program, and extends other authorities related to Small Community Air Service, airport, and safety programs.

That will ensure that our National Airspace System continues to operate, and that the FAA continues to fund important airport projects while the Congress completes action on a final reauthorization bill.

I want to urge my colleagues to take advantage of these extra 30 days to reach compromise on the few remaining controversial provisions in the FAA bill. This bill contains critical safety provisions that must not be delayed any longer. We owe it to the families of Flight 3407 and to the traveling public to reach agreement and send a good, bicameral, bipartisan FAA bill to our President.

I urge my colleagues to support H.R. 5611.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume to close.

Just to reiterate, this is very important to continue this extension. It's been achieved in a bipartisan manner and among the relevant committees of jurisdiction. I wholeheartedly support it and encourage my colleagues to vote "yes."

Mr. JOHNSON of Georgia. Mr. Speaker, I rise today to express my support for H.R. 5611, which extends the funding and expenditure authority of the Airport and Airway Trust Fund and to extend authorizations for the Airport Improvement Program, and for other purposes. While I support passage of this bill today, I am hopeful that the House and Senate will soon agree on a full reauthorization of these important programs.

This bill offers a necessary extension of one month of these two programs. The Transportation and Infrastructure and Ways and Means Committees each approved these extensions. First of all, the Airport and Airway Trust Fund provides funding for the federal commitment to the nation's aviation system through several aviation-related excise taxes. These taxes are vital to fund the continued maintenance, expansion, and improvement of the nation's airports and airway system. The second program, the Airport Improvement Program, works to maintain and improve the safety and efficiency of air travel.

I urge my colleagues to take advantage of the additional time that these extensions offer in order to reach a compromise with the other body regarding the Federal Aviation Administration Reauthorization Act. It is absolutely essential that the House and Senate resolve their differences quickly so that our nation's air travel system can function safely and efficiently.

This year, Congress has passed legislation to create and maintain jobs in all different sectors in order to improve our economy. If we

allow the authorization of these airport programs to expire, we will take steps in the wrong direction by eliminating the jobs that employ people in these two programs. In fact, the reauthorization of the funding and authority for the Airport and Airway Trust Fund and the Airport Improvement Program is also important for the economy of my Congressional district. The 4th district of Georgia has the second largest airport in Georgia, Dekalb Peachtree Airport, which is responsible for around 7,300 jobs and it generates \$130 million worth of personal income for these employees. If temporary or the eventual permanent reauthorization of these programs fails to pass Congress, it would evidently be devastating for my district, and the Nation.

Again, I urge my colleagues to support this legislation.

Mr. OBERSTAR. Mr. Speaker, I rise in strong support of H.R. 5611, the "Airport and Airway Extension Act of 2010, Part II".

This bill ensures that aviation programs, taxes, and Trust Fund expenditure authority will continue without interruption pending completion of a long-term Federal Aviation Administration (FAA) reauthorization act. We are very close to resolving all differences with the Senate on the long-term FAA bill. However, because the long-term bill will not be completed before the current authority for aviation programs expires at the end of this week, H.R. 5611 is needed to extend aviation programs, taxes, and expenditure authority for an additional month.

The most recent long-term FAA reauthorization act, the Vision 100—Century of Aviation Reauthorization Act (P.L. 108–176) expired on September 30, 2007. Although the House passed an FAA reauthorization bill during the 110th Congress, and again last year, the Senate failed to act until March of this year. The FAA has, therefore, been operating under a series of short-term extension acts, the most recent of which expires on July 3, 2010.

Since passage of the Senate bill in March, we have been working diligently to resolve the differences between the House and Senate bills. We have made extremely good progress and are near completion of a final bill. However, given that the current authority for aviation programs expires at the end of this week, a further extension of current law is necessary to continue the financing of aviation programs through August 1, 2010. Based on the hard work that has occurred to date, I am extremely hopeful that Congress will complete action on the long-term FAA reauthorization act in July.

I thank Chairman LEVIN of the Committee on Ways and Means for his assistance in ensuring the continued operation of aviation and highway programs. I also thank Ways and Means Committee Ranking Member CAMP and my Committee colleagues: Ranking Member MICA, Aviation Subcommittee Chairman COSTELLO, and Ranking Member PETRI, for working with me on this critical legislation.

I strongly urge my colleagues to join me in supporting H.R. 5611.

Mr. MICA. Mr. Speaker, it has been almost three years since the last reauthorization expired in September 2007. As Chairman of the Aviation Subcommittee in 2003, I guided that bill to completion in just seven months.

This had been the longest period of time between reauthorizations in the history of the FAA.

This is the fourteenth in a series of FAA extensions and the sixteenth time we have come to the Floor to keep the FAA in business.

Both bodies have been actively negotiating to produce a final bill that sets priorities and improves our airspace system.

We cannot allow needless, controversial provisions to hijack important initiatives to improve aviation safety and allow the industry to grow.

The situation has delayed bipartisan safety legislation that passed the House last fall and now sits idle. This is simply unacceptable.

I support this fourteenth extension and hope that we can quickly resolve our issues and produce a much-needed FAA Reauthorization bill.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in support of H.R. 5611, the Airport and Airway Extension Act of 2010: Part II. This Act would extend the funding and expenditure authority of the Airport and Airway Trust Fund as well as extend authorizations for the airport improvement program. The Airport and Airway Trust Fund (AATF) provides much needed funding to assist in our Federal commitment to the Nation's aviation system. Such funding is necessary for the development of our nationwide airport and airway system as well as for investments in air traffic control facilities to meet the current and future projected growth in aviation.

The Trust Fund provides 100 percent of the funding for Federal Aviation Administration (FAA) airport grants, facilities and equipment, and research, engineering, and development. Allocations are also provided to the Airport Improvement Program (AIP), and Facilities and Equipment, (F&E) and funding from the Trust Fund also helps support basic FAA operations.

I would like to emphasize that the AATF trust fund was not created solely to finance aviation infrastructure. Throughout its history, it has financed a wide array of operations including administrative expenses, attributable to the administration of the airport improvement program and research and development, as well as general FAA operations. It is very important that this funding be continued.

While the trust fund pays a large share of the bills for the FAA to operate the national airspace system, a troubling gap has grown between the revenue that comes in and what it costs to govern the FAA. This has sharply driven down the Trust Fund's uncommitted balance; its surpluses from previous years. If this trend continues in our poor economic state where airlines are cutting benefits and increasing prices, the future of American aviation is grim.

Mr. Speaker I am concerned for the future of American aviation—especially for the future of the George Bush Intercontinental Airport located in my home district of Houston, Texas. Current airport standards are not only threatened by decreased FAA funding but also by the proposed merger of Continental and United Airlines, the former of which is based in Houston. Should this merger be allowed, the future of American aviation in regards to customer satisfaction, safety standards, and general flight, would slowly decline. We cannot add to such destruction by denying the FAA appropriate funds through the AATF. As the airline industry continues to grow and serve more and more Americans, it is our duty to the American people to ensure that the future of

airport security, infrastructure and improvement, research and development, continue to develop to better serve our needs.

For these reasons Mr. Speaker, I support H.R. 5611, the Airport and Airway Extension Act of 2010: Part II.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield back the balance of my time.

Mr. LEWIS of Georgia. In closing, Mr. Speaker, I fully support H.R. 5611. I urge my colleagues on both sides of the aisle to vote "yes" for this important legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. LEWIS) that the House suspend the rules and pass the bill, H.R. 5611.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1400

#### FIREARMS EXCISE TAX IMPROVEMENT ACT OF 2010

Mr. KIND. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5552) to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5552

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Firearms Excise Tax Improvement Act of 2010".

#### SEC. 2. TIME FOR PAYMENT OF MANUFACTURERS' EXCISE TAX ON RECREATIONAL EQUIPMENT.

(a) IN GENERAL.—Subsection (d) of section 6302 of the Internal Revenue Code of 1986 (relating to mode or time of collection) is amended to read as follows:

“(d) TIME FOR PAYMENT OF MANUFACTURERS' EXCISE TAX ON RECREATIONAL EQUIPMENT.—The taxes imposed by subchapter D of chapter 32 of this title (relating to taxes on recreational equipment) shall be due and payable on the date for filing the return for such taxes.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles sold by the manufacturer, producer, or importer after the date of the enactment of this Act.

#### SEC. 3. ASSESSMENT OF CERTAIN CRIMINAL RESTITUTION.

(a) IN GENERAL.—Subsection (a) of section 6201 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) CERTAIN ORDERS OF CRIMINAL RESTITUTION.—

“(A) IN GENERAL.—The Secretary shall assess and collect the amount of restitution

under an order pursuant to section 3556 of title 18, United States Code, for failure to pay any tax imposed under this title in the same manner as if such amount were such tax.

“(B) TIME OF ASSESSMENT.—An assessment of an amount of restitution under an order described in subparagraph (A) shall not be made before all appeals of such order are concluded and the right to make all such appeals has expired.

“(C) RESTRICTION ON CHALLENGE OF ASSESSMENT.—The amount of such restitution may not be challenged by the person against whom assessed on the basis of the existence or amount of the underlying tax liability in any proceeding authorized under this title (including in any suit or proceeding in court permitted under section 7422).”.

(b) EXCEPTION FROM CERTAIN RESTRICTIONS ON ASSESSMENT AND COLLECTION.—

(1) NO PETITION TO TAX COURT, NO RESTRICTION ON FURTHER DEFICIENCY LETTERS, ETC.—Subsection (b) of section 6213 of such Code is amended by adding at the end the following new paragraph:

“(5) CERTAIN ORDERS OF CRIMINAL RESTITUTION.—If the taxpayer is notified that an assessment has been or will be made pursuant to section 6201(a)(4)—

“(A) such notice shall not be considered as a notice of deficiency for the purposes of subsection (a) (prohibiting assessment and collection until notice of the deficiency has been mailed), section 6212(c)(1) (restricting further deficiency letters), or section 6512(a) (prohibiting credits or refunds after petition to the Tax Court), and

“(B) subsection (a) shall not apply with respect to the amount of such assessment.”.

(2) TIME LIMITATIONS ON ASSESSMENT AND COLLECTION.—Subsection (c) of section 6501 of such Code is amended by adding at the end the following new paragraph:

“(11) CERTAIN ORDERS OF CRIMINAL RESTITUTION.—In the case of any amount described in section 6201(a)(4), such amount may be assessed, or a proceeding in court for the collection of such amount may be begun without assessment, at any time.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to restitution ordered after the date of the enactment of this Act.

#### SEC. 4. BUDGETARY PROVISIONS.

(a) TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.—The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 0.25 percentage points.

(b) PAYGO COMPLIANCE.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. KIND) and the gentleman from Wisconsin (Mr. RYAN) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. KIND).

#### GENERAL LEAVE

Mr. KIND. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and insert extraneous material into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KIND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in support of H.R. 5552, the Firearms Excise Tax Improvement Act of 2010. It's a bill that I introduced with 54 bipartisan cosponsors, along with my friend and colleague from Wisconsin (Mr. RYAN), that will strengthen wildlife conservation funding in America by helping firearm and ammunition manufacturers grow their businesses.

H.R. 5552 changes the excise tax payment schedule for firearm and ammunition manufacturers from a biweekly reporting requirement to a quarterly schedule, like every other industry in the country. The bill would also allow the IRS to collect restitution debt that has been court ordered to be paid in criminal tax cases.

This commonsense legislation will allow for the creation of jobs for working families, save money for businesses, increase investment in wildlife conservation, and simplify and make consistent the payment of excise tax across all industries, all of which is paid for and fully compliant with pay-as-you-go budgeting rules.

There is very broad and bipartisan support from both sides of the aisle for this bill. This legislation is supported by every major conservation group, along with the firearms industry. It is in short a win-win-win for families, businesses, and conservation efforts across the country.

I have long been a supporter of conservation efforts. As a former cochair of the Congressional Sportsman's Caucus, I am pleased this bill benefits sportsmen and conservationists alike and continues to contribute critical funding for the development of wildlife restoration projects across the country, ensuring that our natural resources are protected for future generations.

I regularly enjoy spending time outdoors with my family, especially my two little boys. The ability to enjoy outdoor recreational activities like hunting and fishing are not only important for our peace of mind, but back home in Wisconsin it also contributes over \$9.7 billion annually to the Wisconsin economy and supports 129,000 jobs, generating \$570 million in annual State tax revenue. I am sure this is a story that we can talk about from State to State to State.

Also, companies in Wisconsin that manufacture, distribute, and sell firearms, ammunition, and hunting equipment employ as many as 2,050 people in the State and generate an additional 2,300 jobs in supplier and ancillary industries. Across the Nation, these companies employ as many as 183,000 people.

Not only does the manufacture and sale of firearms and hunting supplies create jobs, but the industry also contributes to the economy as a whole. In



fact, the 2010 firearms and ammunition industry was responsible for as much as \$27.8 billion in total economic activity throughout the country.

The firearm and ammunition excise tax is the major revenue source for funding the Wildlife Restoration Trust Fund, also known as the Pittman-Robertson Trust Fund. Last year, firearm and ammunition manufacturers contributed approximately \$450 million to wildlife conservation through the excise tax payments.

All the industry is asking to do, Mr. Speaker, is change the biweekly reporting requirement of the excise tax to a quarterly reporting requirement, just like every other industry. There are stories that were brought to my attention that some of the smaller manufacturers actually had to take out loans in order to meet the biweekly excise tax requirement payment right now, which obviously interrupts their cash flow and makes it tough for them to reinvest in their businesses, expand their operations, and hire more people. We are just fixing that anomaly with this legislation.

I want to thank my friend, my colleague from Wisconsin, for his support for the legislation, as well as the chair and ranking member of the Ways and Means Committee and the staff for helping us get this legislation in order. I would also like to express my sincere gratitude to the various groups who provided invaluable feedback on this legislation, and in particular the National Shooting Sports Foundation, the Congressional Sportsmen's Foundation, the NRA, the Safari Club International, Ducks Unlimited, and many, many others.

I urge my colleagues to support this legislation, and I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to echo the sentiment from my friend and colleague from Wisconsin. We introduced this legislation together. We have 76 co-sponsors. It's a very simple issue.

Number one, we have a Pittman-Robertson fund, which is a user-fee for hunting and fishing. If you buy firearms, you buy ammunition, there is an excise tax that is paid which goes to the Pittman-Robertson Trust Fund for conservation and habitat management.

As the cochair of the Sportsmen's Caucus here in Congress, the largest bipartisan, bicameral caucus in Congress, our job in the caucus is to make sure that we protect not only hunting and fishing rights, but also hunting and fishing habitat. And there is a snafu in the law here, and that's simply what we are trying to clear up. This is a bill that's fully paid for.

This bill is very, very simple. Most of Pittman-Robertson taxes are collected on a quarterly basis. Unfortunately, though, with respect to ammunition and firearms, it's done on a biweekly basis. That is a huge unnecessary bur-

den for manufacturers. There are lots of small manufacturers, Kolar in Racine, Premium Shotguns, you name it. There are lots of small manufacturers out there, and they don't get the cash flow through their business to be able to pay this excise tax on this biweekly basis. They don't get the money from the retailers in time to cover the tax expenses. And therefore what's happening is we are making these manufacturers, especially the smaller ones, have to go out and get loans in order to pay the excise taxes.

All this simply does is harmonize the tax payments schedule to jibe with the other excise taxes that are paid into the Pittman-Robertson fund to a quarterly basis. That simple.

So let's take away this very burdensome regulation, this very burdensome tax compliance regime on small and large manufacturers of firearms and ammunition, harmonize it with the rest of the Pittman-Robertson excise tax collection system, and make sure that these small businesses, which are really struggling, which are the backbone of the conservation funding system, which are huge providers of jobs and recreation in States like Wisconsin and all throughout America, let's just get this cleaned up. Let's pass it. It's bipartisan. It's paid for. This is one of those issues that's sort of rare these days where we have come together to get something that makes perfect common sense.

I yield such time as he may consume to the gentleman from Kentucky (Mr. DAVIS).

Mr. DAVIS of Kentucky. I rise today in support of H.R. 5552, the Firearms Excise Tax Improvement Act of 2010, a bill to modify the due date for the payment of certain manufacturers' excise taxes, including those imposed on firearms and ammunition.

The bill has the support of Members on both sides of the aisle, as well as the NRA and a number of wildlife conservation groups. This bill is a commonsense fix that will simplify the manner in which manufacturers make payments for excise taxes, which help to finance the Pittman-Robertson conservation fund.

The current schedule requires biweekly deposits owed on the excise taxes. That creates an undue burden on our many small sporting goods and sportsmen's outlets, small businesses like RLC Shooting, Garrett Guns, and Mark's Guns, just in my local community, that support the sportsmen community, hunters and shooters that give a lot back, particularly in the maintenance of the nature areas where they work.

These biweekly tax payments are expensive, they create additional overhead; and, frankly, this time-consuming process consumes dollars that in fact can be used for job creation on the outside.

□ 1410

We believe it could free up as much as \$22 million for these businesses, es-

pecially with small businesses, to grow, to hire jobs, and to have a more positive effect on their community as well as expanding a base of additional customers for that excise tax in the long run. It is a great bill supported by all the associated parties.

I urge my colleagues to adopt this sensible measure.

Mr. RYAN of Wisconsin. At this time, I yield such time as he may consume to the gentleman from California (Mr. HERGER), a distinguished senior member of the Ways and Means Committee.

Mr. HERGER. I thank my friend from Wisconsin for yielding.

Yesterday, the Supreme Court delivered a victory for our constitutional freedoms by upholding the right of individual citizens to keep and bear arms. To fully honor the Second Amendment, we must also be vigilant against regulations that place unnecessary burdens on manufacturers of guns and ammunition. The requirement for manufacturers to pay Federal excise tax biweekly is costly and does not improve tax compliance or public safety.

H.R. 5552 is a commonsense bill that doesn't add to the deficit and will help ensure law-abiding Americans have access to American-made firearms. It is supported by the NRA and a number of hunting and conservation groups.

I urge the passage of this legislation.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself the balance of my time.

I simply want to say this is a commonsense solution that ought to be passed. It harmonizes the schedule. It takes a burden off of businesses, and I think the gentleman from California put it well.

Yesterday, we saw a great strike for liberty from the Supreme Court where they reaffirmed the individual's right to keep and bear arms in this country. That is now an issue that has been set by the Supreme Court where individuals have rights in this Nation and that the job of government is to protect our equal, natural rights.

So I think it is very fitting that this, on the day after the Supreme Court reaffirmed the individual's right to keep and bear arms, regardless of where they live in America, as citizens of America, that we ought to help ease this burden on the manufacturers of firearms and of ammunition so that they can get back to the business not of just tax collecting on a biweekly basis but of producing, of selling, of creating jobs, and of getting this country moving again.

With that, Mr. Speaker, I yield back the balance of my time.

Mr. KIND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in conclusion, I again want to thank my colleagues, Mr. RYAN and those on the Ways and Means Committee, for their strong support of the bill. It has received bipartisan support. I'm not aware of any opposition by any of my colleagues to this legislation.



There's a broad coalition of support outside Congress between the conservation and outdoor recreation community, along with the firearms industry, many people who do care about those opportunities that we enjoy as a shooting sport but also hunting, fishing, recreation.

This merely corrects, as my colleague pointed out, an anomaly that's existed in the Tax Code for too long. It's not fair to single out one industry for a biweekly reporting requirement when everyone else has a quarterly reporting requirement, and, quite frankly, cash flow problems have been an issue. That's the reason why it was brought to our attention. At a time when the economy is languishing, we need to be working with businesses, large and small, to be able to expand job-creating opportunities. This bill is a small step in achieving that.

So I would encourage my colleagues to support the bill.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in support of H.R. 5552, the Firearms Excise Improvement Tax Act of 2010. I would like to thank Chairman LEVIN and Congressman KIND for their leadership in bringing this important bill to the floor.

H.R. 5552 will amend the Internal Revenue Code to require: (1) excise taxes on recreational equipment to be due and payable on the date for filing the return for such taxes (i.e., quarterly); and (2) the Secretary of the Treasury to assess and collect, in the same manner as delinquent taxes are assessed and collected, mandatory orders of restitution for victims of crime. The bill has the support of Members on both sides of the aisle. The funding will also create jobs for Americans across the country.

Mr. Speaker, it must be stated that in a time when firearms are being used to commit heinous crimes against individuals in this country, it is important that we remember to ensure that we use strict measures to ensure that we can track the owners of firearms and requiring such excise taxes is one way to do so.

In this Congress, I introduced H.R. 257, The Child Gun Safety and Gun Access Prevention Act of 2009—which would amend the Brady Handgun Violence Prevention Act to: (1) raise the age of handgun eligibility to 21 (currently, 18); and (2) prohibit persons under age 21 from possessing semiautomatic assault weapons or large capacity ammunition feeding devices, with exceptions.

It would also increase penalties for: (1) a second or subsequent violation by a juvenile of Brady Act provisions or for a first violation committed after an adjudication of delinquency or after a state or federal conviction for an act that, if committed by an adult, would be a serious violent felony; and (2) transferring a handgun, ammunition, semiautomatic assault weapon, or large capacity ammunition feeding device to a person who is under age 21, knowing or having reasonable cause to know that such person intended to use it in the commission of a crime of violence.

The bill also would prohibit any licensed importer, manufacturer, or dealer from transferring a firearm to any person (other than a licensed importer, manufacturer, or dealer) unless the transferee is provided with a secure gun storage or safety device. Authorizes the

Attorney General to suspend or revoke any firearms license, or to subject the licensee to a civil penalty of up to \$10,000, if the licensee has knowingly violated this prohibition.

H.R. 257 would prohibit keeping a loaded firearm or an unloaded firearm and ammunition within any premises knowing or recklessly disregarding the risk that a child: (1) is capable of gaining access to it; and (2) will use the firearm to cause death or serious bodily injury. It would also require the parent or legal guardian of a child to ensure that a child attending a gun show is accompanied by an adult.

My bill would also authorize the Attorney General to provide grants to enable local law enforcement agencies to develop and sponsor gun safety classes for parents and children. The bill also expresses the sense of Congress that each school district should provide or participate in a firearms safety program for students.

Yesterday, in its second major ruling on gun rights in three years, the Supreme Court extended the federally protected right to keep and bear arms to all 50 states. We know that the decision will be hailed by gun rights advocates and comes over the opposition of gun control groups, the city of Chicago and four justices.

Justice Samuel Alito wrote for the five justice majority saying "the right to keep and bear arms must be regarded as a substantive guarantee, not a prohibition that could be ignored so long as the States legislated in an evenhanded manner."

The ruling builds upon the Court's 2008 decision in *D.C. v. Heller* that invalidated the handgun ban in the nation's capital. Moreover, that decision held that the Second Amendment right to keep and bear arms was a right the Founders specifically delegated to individuals. The justices affirmed that decision and extended its reach to the 50 states. Today's ruling also invalidates Chicago's handgun ban.

The irony is that there have been 209 homicides so far this year in 2010 in Chicago. We need to strike a reasonable balance between upholding our Second Amendment rights to bear arms, and at the same time ensure that we enact appropriate laws to address criminal behavior and to ensure the health and safety of Americans across this nation.

I hope that we can work towards a reasonable solution whereby gun owners are not deprived of their right to hunt, fish, and use their firearms in law-abiding manners, and also provide the most effective measures to control gun violence and limit injury and death to Americans as a result of unlawful firearm use.

Mr. KIND. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. KIND) that the House suspend the rules and pass the bill, H.R. 5552, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. KIND. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

## HOMEBUYER ASSISTANCE AND IMPROVEMENT ACT OF 2010

Mr. LEVIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5623) to amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5623

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Homebuyer Assistance and Improvement Act of 2010".

### SEC. 2. EXTENSION OF HOMEBUYER CREDIT FOR CERTAIN PURCHASES PURSUANT TO BINDING CONTRACTS.

(a) IN GENERAL.—Paragraph (2) of section 36(h) of the Internal Revenue Code of 1986 is amended by striking "paragraph (1) shall be applied by substituting 'July 1, 2010'" and inserting "and who purchases such residence before October 1, 2010, paragraph (1) shall be applied by substituting 'October 1, 2010'".

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 36(h)(3) of such Code is amended by inserting "and for 'October 1, 2010'" after "for 'July 1, 2010'".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to residences purchased after June 30, 2010.

### SEC. 3. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 of the Internal Revenue Code of 1986 is amended—

(1) by striking "If any check or money order in payment of any amount" and inserting "If any instrument in payment, by any commercially acceptable means, of any amount", and

(2) by striking "such check" each place it appears and inserting "such instrument".

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

### SEC. 4. DISCLOSURE OF PRISONER RETURN INFORMATION TO STATE PRISONS.

(a) IN GENERAL.—Subparagraph (A) of section 6103(k)(10) of the Internal Revenue Code of 1986 is amended—

(1) by inserting "and the head of any State agency charged with the responsibility for administration of prisons" after "the head of the Federal Bureau of Prisons", and

(2) by striking "Federal prison" and inserting "Federal or State prison".

(b) RESTRICTION ON REDISCLOSURE.—Subparagraph (B) of section 6103(k)(10) of such Code is amended—

(1) by inserting "and the head of any State agency charged with the responsibility for administration of prisons" after "the head of the Federal Bureau of Prisons", and

(2) by inserting "or agency" after "such Bureau".

(c) RECORDKEEPING.—Paragraph (4) of section 6103(p) of such Code is amended by inserting "(k)(10)," before "(1)(6)," in the matter preceding subparagraph (A).

(d) CLERICAL AMENDMENT.—The heading of paragraph (10) of section 6103(k) of such Code is amended by striking "OF PRISONERS TO FEDERAL BUREAU OF PRISONS" and inserting "TO CERTAIN PRISON OFFICIALS".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

# SEC. 5. AMENDMENT OF TRAVEL PROMOTION ACT OF 2009.

(a) TRAVEL PROMOTION FUND FEES.—Section 217(h)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)) is amended—

(1) by striking “subsection (d) of section 11 of the Travel Promotion Act of 2009.” in clause (ii) and inserting “subsection (d) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d)).”; and

(2) by striking “September 30, 2014.” in clause (iii) and inserting “September 30, 2015.”.

(b) IMPLEMENTATION BEGINNING IN FISCAL YEAR 2011.—Subsection (d) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d)) is amended—

(1) by striking “For fiscal year 2010, the” in paragraph (2)(A) and inserting “The”;

(2) by striking “quarterly, beginning on January 1, 2010,” in paragraph (2)(A) and inserting “monthly, immediately following the collection of fees under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)(i)(I)).”;

(3) by striking “fiscal years 2011 through 2014,” in paragraph (2)(B) and inserting “fiscal years 2012 through 2015.”;

(4) by striking “fiscal year 2010,” in paragraph (3)(A) and inserting “fiscal year 2011.”;

(5) by striking “fiscal year 2011,” each place it appears in paragraph (3)(A) and inserting “fiscal year 2012.”; and

(6) by striking “fiscal year 2010, 2011, 2012, 2013, or 2014” in paragraph (4)(B) and inserting “fiscal year 2011, 2012, 2013, 2014, or 2015”.

## SEC. 6. PAYGO COMPLIANCE.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. LEVIN) and the gentleman from Kentucky (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. Mr. Speaker, millions of American families have taken advantage of the home buyer tax credit, giving a much-needed boost to home sales at a time when our housing market needed it most. In a word, this tax credit has worked. It gave a boost to our economic recovery, and it helped first-time buyers achieve their dream, the American Dream of owning a home.

Today’s legislation helps ensure the credit works for people who have followed the terms of the incentive. Under current law, taxpayers that entered into a written, binding contract to purchase a home prior to May 1, 2010, are eligible for the home buyer tax credit so long as the sale was completed prior to July 1, 2010. The bill would extend this closing date from prior to July 1, 2010, to prior to October 1, 2010. As a result, taxpayers that entered into a written, binding contract prior to May 1, 2010, will have until September 30, 2010, and I emphasize that, until September 30, 2010, to complete their home purchase transactions.

This legislation also takes important steps to eliminate instances of fraud

that were recently discovered by the Treasury Inspector General for Tax Administration relating to prison inmates. Last year, the Oversight Subcommittee chair, Mr. LEWIS, took the lead in examining issues of abuse, and this clearly is one, and so this bill addresses this abuse very effectively.

Mr. Speaker, this legislation is a necessary step to extend this benefit to those who qualify and the need to facilitate their purchases, and also, it addresses the issue of fraud. This legislation is fully paid for, and I strongly encourage my colleagues to support the bill and follow through on our commitment to thousands and thousands of home buyers who have followed the rules and now should be able to follow through with their purchase.

I reserve the balance of my time.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DAVIS of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Kentucky. I rise in support of H.R. 5623.

Last November, Congress extended the home buyer credit, Mr. Speaker, for buyers who entered into a binding contract by the end of April this year but only if they closed on their house by the end of June. I agree with my colleague from Michigan on the need for this extension, but only those who closed on their houses by the end of June would be eligible.

The slow grinding gears of bureaucracy have left many potential home buyers who could build equity and build for the future out in the cold on this, and by doing this extension, we buy an appropriate amount of time for those who have signed contracts by the April deadline but haven’t closed yet to be able to close. In short, we just need a little more time.

This bill does not extend the deadline for signing a contract to buy a home. The contract still must have been signed before the deadline at the end of April, but it does provide relief for those home buyers who haven’t yet been able to close but who might be depending on the tax credit for their down payment or closing costs. It seems unfair to leave those home buyers in limbo even though they tried to comply with the rules. Denying them the tax credit could cause the deal to collapse, which would put downward pressure on home prices and exacerbate the problems with the housing market.

□ 1420

Mr. Speaker, I am also pleased to see that this bill responds to a recent report from the Treasury Inspector General for Tax Administration, who found that almost 1,300 incarcerated prisoners claimed over \$9 million in tax credits for homes they supposedly purchased while in prison.

The bill would improve information sharing between the IRS and State prison systems so that the IRS could

obtain information on just who is claiming to have bought a home. Refundable tax credits always attract fraud, and we need to do better to prevent people from claiming benefits to which they are not entitled.

I think this legislation includes sensible changes to improve the administration of the home buyer tax credit, and I urge an “aye” vote.

I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, it is now my special privilege to yield 2 minutes to the gentlewoman from Pennsylvania, KATHY DAHLKEMPER.

Mrs. DAHLKEMPER. Mr. Speaker, I rise today in support of my bill, H.R. 5623, the Homebuyers Assistance and Improvement Act of 2010.

I particularly would like to thank the leader, Chairman LEVIN, for helping advance this legislation, which will extend tomorrow’s closing deadline for those eligible for the home buyer tax credit.

The National Association of Realtors estimates that 180,000 families, including over 5,800 in my home State of Pennsylvania alone, signed contracts for new homes by the April 30 deadline, but have not yet finished their closings. One realtor in my district estimated that there are 20 of these such closings which have not been able to be completed yet. Due to the turmoil in the housing market and the overwhelming success of the tax credit, lenders and Federal programs have not been able to keep up with the demand, and that is what has created the backlog.

The Homebuyers Assistance and Improvement Act will provide time to clear this bottleneck and to make sure that these new homeowners are not punished for delays that are out of their control.

As our economy continues on a slow yet steady path toward recovery, we have a responsibility to promote policies that aid in that growth. The Homebuyers Assistance and Improvement Act will do just that, so I urge my colleagues to support H.R. 5623.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield such time as he may consume to a distinguished member of the Ways and Means Committee, the gentleman from California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, I rise to applaud the inclusion in this bill of a provision that enhances information sharing between the IRS and State prisons.

Recently, the Treasury Inspector General for Tax Administration issued a report, finding that at least 1,295 prisoners received \$9.1 million in home buyer tax credits for homes they reported purchasing while incarcerated. We must put a stop to this fraud.

I am a long-time supporter of increased data sharing among agencies to ensure that prisoners do not illegally obtain taxpayer-funded benefits. In the 1996 welfare reform bill, I championed a program that authorized incentive payments to penal institutions for providing information on newly incarcerated individuals. This data sharing

gave the Social Security Administration the information they needed to prevent checks from going to jailed beneficiaries, which saved taxpayers over \$5 billion.

Currently, the IRS shares information with Federal prisons but not with State prisons. The bill before us would change that, and I support its passage.

GENERAL LEAVE

Mr. LEVIN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and to insert any extraneous material in the CONGRESSIONAL RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN. Mr. Speaker, now it is my privilege to yield 2 minutes to a very vigorous Representative, the gentlewoman from Nevada (Ms. TITUS).

Ms. TITUS. Thank you, Mr. Chairman.

Mr. Speaker, I rise today in support of the Homebuyers Assistance and Improvement Act of 2010.

The first-time home buyer tax credit has helped bring stability to the struggling housing market in southern Nevada. In total, over 25,000 Nevadans have collected about \$200 million from the credit, which has dramatically reduced the State's excess housing inventory.

In southern Nevada, short sales have become more and more common as lenders and owners are able to avoid the arduous and costly process of foreclosure, and buyers can then purchase homes slightly below market value.

Unlike the traditional sale of a property between an owner and a buyer, however, a short sale must be approved by the holder of the mortgage. In many cases, although a purchase price is agreed to by the seller and the buyer, the lender may not approve the sale for months. Certainly, this has been the case in Nevada. As a result, many first-time home buyers have entered into agreements for short sales prior to the April 30 deadline, but have not yet been able to close on the purchase prices prior to the upcoming June 30 deadline.

According to local experts, the Homebuyers Assistance and Improvement Act of 2010, which is before us now, will extend to October 1, the date by which a purchaser must close a sale of a home in order to obtain the home buyer tax credit. This will allow approximately 3,800 first-time home buyers in southern Nevada to receive the credit. It is a fair solution that will help consumers who have met all of the eligibility requirements for the credit but who have had the timely processing of their loans held up through no fault of their own.

So I thank the chairman for his assistance in moving this forward, and I urge my colleagues to support the legislation.

Mr. DAVIS of Kentucky. Mr. Speaker, I yield as much time as she may

consume to the distinguished member of the Ways and Means Committee, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. I thank the gentleman from Kentucky.

Mr. Speaker, I rise today in support of the bill before us, the Homebuyers Assistance and Improvement Act of 2010.

For reasons known only to them, our Democrat colleagues in the Senate have been unable or unwilling to reach a compromise addressing the bipartisan concerns about the bundle of extensions still pending across the Capitol. Due to this failure of basic leadership, the National Flood Insurance Program was allowed to expire, as well as a number of other programs.

I mention the Flood Insurance Program specifically because realtors in my district are calling my office morning, noon and night on behalf of clients who cannot close on their new homes without an extension in the Flood Insurance Program. Remember, it is Florida. You need flood insurance. Subsequently, quite a few of these individuals are going to be missing the homebuyer tax credit that they were told they would qualify for.

Say what you will about the tax credit, but in my view, if the government says it is going to do something, like anybody else, it had better follow through. Frankly, at this point, I'm not sure that the Democrat majority is even capable of doing that. If you can't muster up enough votes to ram your agenda through, despite opposition from your own Members, or you are faced with the prospect of actually having to pay for something—isn't that unique?—this government comes to a screeching halt.

On most issues, my constituents and I think this liberal legislative meltdown is a blessing; but on matters where families and small businesses have made financial decisions based on the expectation that the government would keep its word, we do demand and deserve action.

My colleagues on the other side of the aisle have control of the White House, and they have the majorities in both houses of Congress. They need to stop blaming everybody else and get their act together for the sake of the American people.

Mr. LEVIN. Before I recognize the next distinguished gentleman, I just sit here. Even on a bipartisan supported bill, we get such partisan rhetoric. I hope everybody listens to it.

It is now my privilege to yield 2 minutes, or as much time as he may consume, to a very active Member of Congress, the gentleman from the proud State of Mississippi (Mr. CHILDERS).

Mr. CHILDERS. Thank you, Mr. Chairman.

Mr. Speaker, I rise today in support of the Homebuyers Assistance and Improvement Act of 2010.

This bill is important for home buyers who have met the requirements of

the first-time homebuyer tax credit program but who are now not able to close on their new homes due to circumstances which are out of their control.

□ 1430

With the passage of this act, over 1,500 home buyers in my great State of Mississippi will be able to take advantage of the Homebuyers Tax Credit program, making homes more affordable for families and individuals and creating much-needed jobs.

As a veteran realtor for over 30 years, I have seen firsthand the ups and downs associated with the housing market. Recent signs of recovery in the market are certainly encouraging, but we must follow through and sustain the progress linked to the initial benefits of the homebuyer tax credits.

I urge my colleagues to support this bill and to support the prospective homeowners in America.

Mr. DAVIS of Kentucky. Mr. Speaker, I would encourage all of my colleagues to support H.R. 5623 to continue and extend this program for those who signed up before the April 30 close.

Mr. Speaker, with that, I yield back the balance of my time.

Mr. LEVIN. Mr. Speaker, I include for the RECORD a letter from the chairman of the Homeland Security Committee, Mr. THOMPSON, to me dated June 29, 2010, and a letter from me as chairman of the Ways and Means Committee to Mr. THOMPSON.

COMMITTEE ON HOMELAND SECURITY,  
HOUSE OF REPRESENTATIVES,

Washington, DC, June 29, 2010.

Hon. SANDER M. LEVIN,  
Chairman, Committee on Ways and Means,  
House of Representatives, Longworth House  
Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I am writing you regarding the "Homebuyer Assistance and Improvement Act of 2010."

This legislation contains provisions within the jurisdiction of the Committee on Homeland Security. I recognize and appreciate your desire to bring this legislation before the House in an expeditious manner and, accordingly, have waived further consideration of the measure. I have done so with the understanding that waiving consideration of the bill should not be construed as the Committee on Homeland Security waiving, altering, or otherwise affecting its jurisdiction over subject matters contained in the bill which fall within its Rule X jurisdiction.

Further, I request your support for the appointment of Homeland Security conferees during any House-Senate conference convened on this or similar legislation. I also ask that a copy of this letter and your response be placed in the Congressional Record during floor consideration of this bill.

I look forward to working with you on this legislation and other matters of great importance to this nation.

Sincerely,

BENNIE G. THOMPSON,  
Chairman.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON WAYS AND MEANS,  
Washington, DC, June 29, 2010.

Hon. BENNIE THOMPSON,  
Chairman, Committee on Homeland Security,  
Ford House Office Building, Washington,  
DC.

DEAR CHAIRMAN THOMPSON, Thank you for your letter regarding H.R. 5623, the Homebuyer Assistance and Improvement Act of 2010.

I appreciate your willingness to work cooperatively on this legislation, and I acknowledge that there are provisions within the bill that are within the jurisdiction of the Committee on Homeland Security. I agree that your inaction with respect to this bill does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this bill or similar legislation in the future.

I will ensure that our exchange of letters is included in the Congressional Record during consideration of H.R. 5623.

Sincerely,

SANDER LEVIN,  
Chairman.

Mr. LEVIN. I can close very briefly. This bill is meritorious. It deserves bipartisan support, and I hope very much it will receive it. We owe this to the people who have essentially followed the rules who are caught by a closing date.

This is a credit. There is often question about, is the effort of the recovery program and like programs working? This is an example of it working, and in fact working so actively that now it is necessary and I think correct that we make sure that people who have advantaged themselves of it correctly are able to follow through.

So I urge a strong vote.

Ms. JACKSON LEE of Texas. Mr. Speaker, I wish to thank Congress members DAHLKEMPER, KRATOVIL and CHILDERS for introducing this important and much-needed piece of legislation.

The mortgage crisis continues to affect millions of Americans, and has greatly interfered with the American dream of home ownership. It is imperative that we help everyday Americans in their effort to remain afloat in light of the ongoing effects of the economic meltdown. For these reasons, I support the proposed amendments to this Act which will extend the closing deadline for the First-Time Homebuyer tax credit to September 30, 2010.

The housing market is an area that was, perhaps, the most largely affected by the economic crisis. As of January, 2010, there were 315,716 foreclosures on properties in the United States reported just within the month. Additionally, 1 in every 409 U.S. housing units received a foreclosure filing in the same month. Texas received the sixth highest number of foreclosure filings in January, 2010. As of March, 2010, the foreclosure rate in Houston, Texas had increased by almost ten percent from the previous month. Although our economy appears to be on the path to recovery, these statistics are still cause for concern.

The programs set in place to counteract the effects of the economic downturn have attracted many ordinary Americans who are desperate to keep their homes. The first-time homebuyer tax credit, specifically, represented positive steps to guide ordinary Americans towards financial recovery. However, it is important to allow all who are eligible, and espe-

cially all who require the help, to benefit from the tax credit by extending the closing deadline. There has been a delay in processing due to all the new mortgages that have resulted from the tax credit. However, ordinary Americans who have attempted to obtain new mortgages, and are sincerely in need of the aid provided through the tax credit should not be punished for the backlog that resulted from factors entirely outside of their control.

We are all familiar with the ongoing effects of the economic meltdown. Jobs have been lost, homes have been foreclosed upon, and many have been left with no source of income or livelihood. In addition, many Americans have been stripped of the ability to achieve a goal that they have, in certain instances, worked decades to attain—owning a home. Extending the tax credit will provide everyday citizens with an opportunity to realize this dream, even in the midst of a recovering economy.

Mr. LEVIN. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. LEVIN) that the House suspend the rules and pass the bill, H.R. 5623, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. LEVIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### RECOGNIZING HEROIC EFFORTS OF WEST VIRGINIA NATIONAL GUARD AND LOCAL RESPONDERS

Mr. CRITZ. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1153) recognizing the heroic efforts of the West Virginia National Guard and local responders for their work rescuing 17 individuals from a downed military helicopter on a rugged, snow-covered mountain on the Pocahontas-Randolph county line.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

#### H. RES. 1153

Whereas the West Virginia National Guard and local responders safely and successfully rescued 17 individuals from a downed military helicopter on a rugged, snow-covered mountain on the Pocahontas-Randolph county line;

Whereas, on February 18, 2010, the West Virginia Army National Guard HH-60 Blackhawk helicopter, gallantly piloted by Bluefield, West Virginia, native Major Kevin Hazuka, located the downed aircraft in extremely adverse weather conditions;

Whereas two West Virginia Army National Guard Flight Medics, SSG Nicole Hopkins and SPC Casey Dunfee, were lowered to the landing site to assess the situation and to provide assistance to the injured through the night while emergency response and rescue teams worked their way to the survivors;

Whereas a C-130 Hercules aircraft from the 130th Airlift Wing of the West Virginia Air National Guard orbited the crash site to facilitate communications;

Whereas Snowshoe Mountain Ski Resort provided two snowcats and personnel that were invaluable to the safe evacuation of the injured;

Whereas local West Virginia civilians generously donated the use of their snowmobiles that enabled first responders to reach the site;

Whereas a Shavers Fork Volunteer Fire and Rescue Unit went as far as they could with special equipment and snowmobiles along a railroad grade to where it was still about a 45-minute trek in 5 feet of snow, straight up the side of a mountain with an approximate 50-degree pitch;

Whereas Valley Head Fire Department, Northern Greenbrier EMS, Greenbrier County Ambulance, White Sulphur Springs EMS, Cass Rescue, and Greenbank National Radio Astronomy Observatory operations staff all provided direct critical support for the effort;

Whereas the Pocahontas County Emergency Management, West Virginia State Police, Pocahontas County Sheriff's Department, Pocahontas County 911, and the U.S. Forest Service provided coordination and support efforts; and

Whereas the Bartow-Frank-Durbin Volunteer Fire and Rescue attempted an approach to the crash sight from the North side with support from State of West Virginia Departments of Natural Resources and Highways, neighboring Randolph and Tucker County Sheriff Departments and EMS units, Elkins, Harmon, and Huttonsville/Mill Creek Volunteer Fire Departments, and the American Red Cross: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) honors the heroic efforts of the West Virginia National Guard and local first responders;

(2) recognizes the countless volunteers, families, and neighbors who assisted in rescuing the 17 individuals; and

(3) recognizes the courage, ability, incredible determination, and willingness of West Virginians to lend a neighborly hand.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. CRITZ) and the gentleman from Maryland (Mr. BARTLETT) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

#### GENERAL LEAVE

Mr. CRITZ. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CRITZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of House Resolution 1153, recognizing the heroic efforts of the West Virginia National Guard and local responders for their work rescuing 17 people from a downed military helicopter on a rocky, snow-covered mountain on the Pocahontas-Randolph county line. I would like to thank my colleague from West Virginia, Mr. RAHALL, for putting this resolution together.

Mr. Speaker, I would like to spend this time recognizing the individuals and organizations involved in the execution of this tremendous rescue.

On February 18, 2010, a West Virginia Army National Guard HH-60 Blackhawk helicopter, skillfully piloted by a native of Bluefield, West Virginia, Major Kevin Hazuka, located the downed aircraft in extremely difficult circumstances. The snow and ice of the Pocahontas-Randolph county line at the time was treacherous, and the valor of Major Kevin Hazuka should be commended by all.

I would like to commend Staff Sergeant Nicole Hopkins and Specialist Casey Dunfee, two West Virginia Army National Guard flight medics. Sergeant Hopkins and Specialist Dunfee were lowered to the site in order to provide medical care throughout the night as rescue workers labored their way to the survivors.

Thanks are also deserved to the pilot of the 130th Airlift Wing of the West Virginia National Guard who assisted by orbiting the crash site in a C-130 Hercules aircraft in order to facilitate vital communication.

Volunteers, civilians, service men and women alike all gave a hand to help rescue the survivors. The Snowshoe Mountain Ski Resort assisted by providing invaluable machinery and staff to help evacuate the injured.

Local West Virginians helped by donating snowmobiles that enabled first responders to reach the site. The Shavers Fork Volunteer Fire and Rescue Unit was instrumental in using special equipment and snowmobiles to clear a path to the location of the crash.

The Valley Head Fire Department, Northern Greenbrier EMS, Greenbrier County Ambulance, White Sulphur Springs EMS, Cass Rescue, and Greenbank National Radio Astronomy Observatory staff all provided extremely vital support for the effort. In addition, the Pocahontas County Emergency Management, West Virginia State Police, Pocahontas County Sheriff's Department, Pocahontas County 911, and the U.S. Forest Service also lent a hand in order to help assist the victims of the crash. The coordination and support they provided was also invaluable.

Finally, the Bartow-Frank-Durbin Volunteer Fire and Rescue made a valiant attempt to approach the crash site from the north side with support from the State of West Virginia Departments of Natural Resources and Highways, neighboring Randolph and Tucker County Sheriff Departments and EMS units, Elkins, Harmon, and Huttonsville-Mill Creek Volunteer Fire Departments, and the American Red Cross.

Mr. Speaker, this resolution acknowledges and thanks the West Virginia National Guard, local first responders, and volunteers around the area for their successful efforts to rescue the 17 individuals. House Resolution 1153 recognizes the courage, abil-

ity, and determination of West Virginians.

I reserve the balance of my time.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Resolution 1153, which recognizes the heroic efforts of the West Virginia National Guard and local responders for rescuing 17 persons from a Navy helicopter that crashed in the wintry mountains of that State in February of this year. I want to commend Representative NICK RAHALL for sponsoring this legislation.

This incident, precipitated when a Navy helicopter was forced down in remote mountainous terrain, exemplifies all that is best about the National Guard and its ability to work cooperatively and effectively with local civilian responders in crisis situations.

Without the rapid, integrated response of the West Virginia Army and Air National Guard, the volunteer efforts of local citizens, the support of local emergency management services, and perseverance of State and local fire and rescue services and agencies, 17 people could have died from their injuries and from exposure. Thankfully, there were people at every level of government who were trained, equipped, and prepared to respond.

This resolution specifically honors those citizens of West Virginia, but it should also remind each Member to express appreciation to the people in our own States and districts, selfless Americans who willingly sacrifice their comfort and safety for others.

In my own district and State, Guards men and women have adopted a flexible "plug and play" organization model that enables members to report to the closest armory in time of emergency, thereby minimizing the overall response time during events like the unprecedented snowfalls we experienced this winter. Their round-the-clock vigilance exemplifies the spirit of the National Guard emergency personnel at all levels of government.

□ 1440

Thus it is fitting that we honor and thank the soldiers and airmen of the National Guard as well as the first responders and emergency and rescue personnel across our Nation, who, when disaster and tragedy strike, step forward to save and serve their fellow citizens. I urge all Members to support this resolution.

I reserve the balance of my time.

Mr. CRITZ. Mr. Speaker, I yield such time as he may consume to my friend and colleague and the sponsor of this resolution, the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, I first commend the gentleman from Pennsylvania (Mr. CRITZ) for his invaluable support in helping us bring this resolution to the floor today. I know that it is a special recognition to a special group of people. I do support the heroic efforts of our West Virginia National

Guard and our local responders and would urge all of my colleagues to support the pending resolution, H. Res. 1153.

I have personally visited with the National Guard members mentioned herein and the local responders and members of the Bartow, Frank, and Durbin communities' Volunteer Fire Departments in Pocahontas County a couple months ago. On Thursday, February 18, 2010, earlier this year, the heroic actions of West Virginians brought about the highly successful rescue of 17 military personnel who were on board a U.S. Navy helicopter participating in the Operation Southbound Trooper X annual military exercise, which went down in deep, snow-covered, and very rugged terrain in Pocahontas County, West Virginia.

The remarkable rescue was an outstanding and highly coordinated effort on the part of many highly trained professionals as well as private citizens, who worked under very difficult conditions to reach the crew and personnel on board the aircraft, many of whom had been injured in the crash. West Virginians are the best neighbors for whom you could ever wish. It is a truth that has been proven time and again. This historic rescue effort was, thankfully, a rare event, but it was not at all out of character for our State of West Virginia. In fact, it was merely illustrative of the best of our State.

The swift response, the astounding skills and abilities, the enormous courage, and profound determination of all those involved in the rescue operation, from those who serve in and lead our West Virginia National Guard to our local fire, rescue, law enforcement, and first responder units, and the countless volunteers, families, and neighbors nearby, most certainly made the difference between life and death. While no expression of gratitude would ever be sought for such selfless acts, the hope that one good turn deserves another never dims with our West Virginians.

On behalf of my fellow West Virginians and on behalf of my colleague from the neighboring congressional district, Representative SHELLEY MOORE CAPITO, we are pleased to support H. Res. 1153, to honor these good deeds and to illuminate them as a beacon for others. I would ask that my fellow Members join in support of this resolution. I, again, thank the gentleman from Pennsylvania (Mr. CRITZ) for his invaluable support as well.

Mr. BARTLETT. Mr. Speaker, I yield such time as she may consume to the gentlewoman from West Virginia (Mrs. CAPITO), an original sponsor of this resolution.

Mrs. CAPITO. I'd like to thank my friend from Maryland for recognizing me. I'd particularly like to thank my fellow member of the delegation, Mr. RAHALL, for bringing House Resolution 1153 forward. The occurrence of this crash straddled two of our counties. His is Pocahontas and mine is Randolph. We both know very well that we

don't call West Virginia "Wild and Wonderful" for no reason. This is one of the wildest parts of our beautiful State. And so I want to offer my congratulations to the brave men and women of the 130th Airlift Wing, which is headquartered in Charleston, West Virginia, in my district, and all the first responders and citizens who helped with this rescue.

As we've heard, Major Hazuka of Bluefield, West Virginia, of the 130th Airlift Wing of the National Guard, discovered the Navy Kittyhawk helicopter which had crashed over Randolph and Pocahontas Counties in terrible weather conditions. They acted very, very quickly. I would also like to honor Army National Guard Flight Medics Staff Sergeant Nicole Hopkins and Specialist Casey Dunfee, who were lowered to the landing site to give emergency medical care and to help coordinate the efforts.

The 130th Airlift Wing represents the best of West Virginia, and their heroic response to this crash further establishes their importance to this State. As my colleague from West Virginia so eloquently put it, it didn't surprise any of us. This unit and those around our State and around this Nation are known for their willingness to step up when they're most needed. But the terrain and the weather on that particular day was incredibly dangerous.

I know my colleague from Pennsylvania mentioned all of the different units of first responders that responded that day, but I would like to repeat their names: the West Virginia Civil Air Patrol, the Valley Head Fire Department, the Northern Greenbrier EMS, Greenbrier County Ambulance, White Sulfur Springs EMS, Cass Rescue, and the Greenbank National Radio Astronomy Observatory, which is very close in Pocahontas. I'd also like to thank the Snowshoe Resort for their willingness to share equipment. We also had the Pocahontas County Emergency Management, West Virginia State Police, Pocahontas County Sheriffs Department, Pocahontas County 9/11, U.S. Forest Service, Bartow-Frank-Durbin Volunteer Fire and Rescue, along with the Department of Natural Resources and sheriff departments from the surrounding areas.

As you can see, it was a collegial effort, an enormous effort, and one that when we first received the news of this accident over our local television and radio stations, really had us on the edge of our seats because I think we knew how treacherous a rescue in this area could be at this time of year.

So I'd like to say congratulations. Again, I'd like to thank my colleague Mr. RAHALL for bringing this resolution forward, and I would like to ask my colleagues to join in congratulating not only our first responders and our National Guard, but also take the time to thank their local and State National Guard and local first responders for all the good work they do voluntarily every day for our benefit.

Mr. BARTLETT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CRITZ. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. CRITZ) that the House suspend the rules and agree to the resolution, H. Res. 1153.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H.R. 5618, House Resolution 1244, H.R. 5552, and H.R. 5623, in each case by the yeas and nays.

Remaining postponed proceedings will resume later in the week.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

#### RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 5618) to continue Federal unemployment programs, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. LEVIN) that the House suspend the rules and pass the bill.

The vote was taken by electronic device, and there were—yeas 261, nays 155, not voting 17, as follows:

[Roll No. 398]

YEAS—261

|             |                |                 |
|-------------|----------------|-----------------|
| Ackerman    | Brown, Corrine | Critz           |
| Altmire     | Butterfield    | Crowley         |
| Andrews     | Capito         | Cuellar         |
| Arcuri      | Capps          | Dahlkemper      |
| Baca        | Capuano        | Davis (AL)      |
| Baldwin     | Cardoza        | Davis (CA)      |
| Barrow      | Carnahan       | Davis (IL)      |
| Becerra     | Carney         | Davis (TN)      |
| Berkley     | Carson (IN)    | DeFazio         |
| Berman      | Castle         | DeGette         |
| Bilbray     | Castor (FL)    | Delahunt        |
| Bilirakis   | Chandler       | DeLauro         |
| Bishop (GA) | Chu            | Dent            |
| Bishop (NY) | Clarke         | Deutch          |
| Blumenauer  | Clay           | Diaz-Balart, L. |
| Boccieri    | Cleaver        | Diaz-Balart, M. |
| Bono Mack   | Clyburn        | Dicks           |
| Boren       | Cohen          | Dingell         |
| Boswell     | Connolly (VA)  | Doggett         |
| Boucher     | Conyers        | Doyle           |
| Boyd        | Costa          | Driehaus        |
| Brady (PA)  | Costello       | Edwards (MD)    |
| Braley (IA) | Courtney       | Edwards (TX)    |

|                  |                 |                  |
|------------------|-----------------|------------------|
| Ehlers           | Lee (NY)        | Richardson       |
| Ellison          | Levin           | Rodriguez        |
| Ellsworth        | Lewis (GA)      | Rogers (MI)      |
| Eshoo            | Lipinski        | Ros-Lehtinen     |
| Etheridge        | LoBiondo        | Ross             |
| Farr             | Loebach         | Rothman (NJ)     |
| Fattah           | Lofgren, Zoe    | Roybal-Allard    |
| Filner           | Lowey           | Ruppersberger    |
| Foster           | Lujan           | Ryan (OH)        |
| Frank (MA)       | Lynch           | Salazar          |
| Fudge            | Maffei          | Sanchez, Linda   |
| Garamendi        | Maloney         | T.               |
| Gerlach          | Manzullo        | Sanchez, Loretta |
| Giffords         | Markey (MA)     | Sarbanes         |
| Gonzalez         | Matheson        | Schakowsky       |
| Gordon (TN)      | Matsui          | Schauer          |
| Grayson          | McCarthy (NY)   | Schiff           |
| Green, Al        | McCollum        | Schrader         |
| Green, Gene      | McCotter        | Schwartz         |
| Grijalva         | McDermott       | Scott (GA)       |
| Gutierrez        | McGovern        | Scott (VA)       |
| Hall (NY)        | McMahon         | Serrano          |
| Halvorson        | McNerney        | Sestak           |
| Hare             | Meek (FL)       | Shea-Porter      |
| Harman           | Meeks (NY)      | Sherman          |
| Hastings (FL)    | Melancon        | Sires            |
| Heinrich         | Michaud         | Skelton          |
| Heller           | Miller (NC)     | Slaughter        |
| Higgins          | Miller, George  | Smith (NJ)       |
| Himes            | Mitchell        | Smith (WA)       |
| Hinchey          | Mollohan        | Snyder           |
| Hinojosa         | Moore (KS)      | Space            |
| Hirono           | Moran (VA)      | Speier           |
| Hodes            | Murphy (CT)     | Spratt           |
| Holden           | Murphy (NY)     | Stark            |
| Holt             | Murphy, Patrick | Stupak           |
| Honda            | Murphy, Tim     | Sutton           |
| Hoyer            | Nadler (NY)     | Tanner           |
| Inslee           | Napolitano      | Teague           |
| Israel           | Neal (MA)       | Thompson (CA)    |
| Jackson (IL)     | Obey            | Thompson (MS)    |
| Jackson Lee      | Olver           | Tierney          |
| (TX)             | Ortiz           | Titus            |
| Johnson (GA)     | Owens           | Tonko            |
| Johnson (IL)     | Pallone         | Towns            |
| Johnson, E. B.   | Pascrell        | Tsongas          |
| Jones            | Pastor (AZ)     | Turner           |
| Kagen            | Payne           | Upton            |
| Kanjorski        | Pelosi          | Van Hollen       |
| Kaptur           | Perlmutter      | Velázquez        |
| Kennedy          | Perriello       | Visclosky        |
| Kildee           | Peters          | Walz             |
| Kilpatrick (MI)  | Peterson        | Wasserman        |
| Kilroy           | Petri           | Schultz          |
| Kind             | Pingree (ME)    | Waters           |
| Kirkpatrick (AZ) | Platts          | Watson           |
| Kissell          | Pollis (CO)     | Watt             |
| Klein (FL)       | Pomeroy         | Waxman           |
| Kosmas           | Posey           | Weiner           |
| Kucinich         | Price (NC)      | Welch            |
| Langevin         | Quigley         | Whitfield        |
| Larsen (WA)      | Rahall          | Wilson (OH)      |
| Larson (CT)      | Rangel          | Wu               |
| LaTourette       | Reichert        | Yarmuth          |
| Lee (CA)         | Reyes           | Young (FL)       |

NAYS—155

|              |               |                 |
|--------------|---------------|-----------------|
| Aderholt     | Campbell      | Granger         |
| Adler (NJ)   | Cantor        | Graves (GA)     |
| Akin         | Carter        | Graves (MO)     |
| Alexander    | Cassidy       | Guthrie         |
| Austria      | Chaffetz      | Hall (TX)       |
| Bachmann     | Childers      | Harper          |
| Bachus       | Coble         | Hastings (WA)   |
| Baird        | Coffman (CO)  | Hensarling      |
| Barrett (SC) | Cole          | Hergert         |
| Bartlett     | Conaway       | Herseth Sandlin |
| Barton (TX)  | Cooper        | Hill            |
| Bean         | Crenshaw      | Hunter          |
| Berry        | Culberson     | Inglis          |
| Biggert      | Davis (KY)    | Issa            |
| Blackburn    | Djou          | Jenkins         |
| Blunt        | Donnelly (IN) | Johnson, Sam    |
| Boehner      | Dreier        | Jordan (OH)     |
| Bonner       | Duncan        | King (IA)       |
| Boozman      | Emerson       | King (NY)       |
| Boustany     | Fallin        | Kingston        |
| Brady (TX)   | Flake         | Kline (MN)      |
| Bright       | Fleming       | Kratovil        |
| Broun (GA)   | Forbes        | Lamborn         |
| Brown (SC)   | Fortenberry   | Lance           |
| Brown-Waite, | Fox           | Latham          |
| Ginny        | Franks (AZ)   | Latta           |
| Buchanan     | Frelinghuysen | Lewis (CA)      |
| Burgess      | Gallegly      | Linder          |
| Burton (IN)  | Garrett (NJ)  | Lucas           |
| Buyer        | Gingrey (GA)  | Luetkemeyer     |
| Calvert      | Gohmert       | Lummis          |
| Camp         | Goodlatte     |                 |



Lungren, Daniel E.  
Mack  
Marchant  
Markey (CO)  
Marshall  
McCarthy (CA)  
McCaul  
McClintock  
McHenry  
McKeon  
McMorris  
Rodgers  
Mica  
Miller (FL)  
Miller (MI)  
Miller, Gary  
Minnick  
Moran (KS)  
Myrick  
Neugebauer

Nunes  
Nye  
Olson  
Paul  
Paulsen  
Pence  
Pitts  
Poe (TX)  
Price (GA)  
Radanovich  
Rehberg  
Roe (TN)  
Rogers (AL)  
Rogers (KY)  
Rohrabacher  
Rooney  
Roskam  
Royce  
Ryan (WI)  
Scalise  
Schmidt

Sensenbrenner  
Sessions  
Shadegg  
Shimkus  
Shuler  
Shuster  
Simpson  
Smith (NE)  
Smith (TX)  
Stearns  
Sullivan  
Terry  
Thompson (PA)  
Thornberry  
Tiahrt  
Tiberi  
Walden  
Westmoreland  
Wilson (SC)  
Wittman  
Wolf

## NOT VOTING—17

Bishop (UT)  
Cao  
Cummings  
Engel  
Griffith  
Hoekstra

Kirk  
McIntyre  
Moore (WI)  
Oberstar  
Putnam  
Rush

Schock  
Taylor  
Wamp  
Woolsey  
Young (AK)

□ 1515

Messrs. BAIRD, McCAUL, BACHUS, and ADLER of New Jersey changed their vote from “yea” to “nay.”

So (two-thirds not being in the affirmative) the motion was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. MCINTYRE. Mr. Speaker, on rollcall No. 398, on this vote, I was unavoidably detained and was unable to vote. Had I been present, I would have voted “yes.”

Stated against:

Mr. LEE of New York. Mr. Speaker, on rollcall 398, to suspend the Rules and pass H.R. 5618, I intended to vote “nay.” While I understand that many Americans, including some in my Congressional District in Western New York, rely on unemployment benefits to survive in these difficult economic times, I believe that it is irresponsible for this Congress to not pay for the extension. We simply cannot afford to tack on an additional \$34 billion in deficit spending.

# RECOGNIZING THE NATIONAL COLLEGIATE CYBER DEFENSE COMPETITION

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution (H. Res. 1244) recognizing the National Collegiate Cyber Defense Competition for its now five-year effort to promote cyber security curriculum in institutions of higher learning, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Hawaii (Ms. HIRONO) that the House suspend the rules and agree to the resolution, as amended.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 412, nays 2, not voting 18, as follows:

[Roll No. 399]

## YEAS—412

Ackerman  
Aderholt  
Adler (NJ)  
Akin  
Alexander  
Altmire  
Andrews  
Arcuri  
Austria  
Baca  
Bachmann  
Bachus  
Baird  
Baldwin  
Barrett (SC)  
Barrow  
Bartlett  
Barton (TX)  
Bean  
Beceerra  
Berkley  
Berman  
Berry  
Biggert  
Bilbray  
Bilirakis  
Bishop (GA)  
Bishop (NY)  
Bishop (UT)  
Blackburn  
Blumenauer  
Blunt  
Boccheri  
Boehner  
Bonner  
Bono Mack  
Boozman  
Boren  
Boswell  
Boucher  
Boustany  
Boyd  
Brady (PA)  
Brady (TX)  
Braley (IA)  
Bright  
Broun (GA)  
Brown (SC)  
Brown, Corrine  
Brown-Waite,  
Ginny  
Buchanan  
Burgess  
Burton (IN)  
Butterfield  
Buyer  
Calvert  
Camp  
Campbell  
Cantor  
Capito  
Capps  
Capuano  
Cardoza  
Carnahan  
Carney  
Carson (IN)  
Carter  
Cassidy  
Castle  
Castor (FL)  
Chaffetz  
Chandler  
Childers  
Chu  
Clarke  
Clay  
Cleaver  
Clyburn  
Coble  
Coffman (CO)  
Cohen  
Cole  
Conaway  
Connolly (VA)  
Conyers  
Cooper  
Costa  
Costello  
Courtney  
Crenshaw  
Critz  
Crowley  
Cuellar  
Culberson  
Dahlkemper

Davis (AL)  
Davis (CA)  
Davis (IL)  
Davis (KY)  
Davis (TN)  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Dent  
Deutch  
Diaz-Balart, L.  
Diaz-Balart, M.  
Dicks  
Dingell  
Djou  
Doggett  
Donnelly (IN)  
Doyle  
Dreier  
Driehaus  
Duncan  
Edwards (MD)  
Edwards (TX)  
Ehlers  
Ellison  
Ellsworth  
Emerson  
Eshoo  
Etheridge  
Fallin  
Farr  
Fattah  
Filner  
Fleming  
Forbes  
Fortenberry  
Poster  
Foxy  
Frank (MA)  
Franks (AZ)  
Frelinghuysen  
Fudge  
Gallegly  
Garamendi  
Garrett (NJ)  
Gerlach  
Giffords  
Gingrey (GA)  
Gohmert  
Gonzalez  
Goodlatte  
Gordon (TN)  
Granger  
Graves (GA)  
Graves (MO)  
Grayson  
Green, Al  
Green, Gene  
Grijalva  
Guthrie  
Gutierrez  
Hall (NY)  
Hall (TX)  
Halvorson  
Hare  
Harman  
Harper  
Hastings (FL)  
Hastings (WA)  
Heinrich  
Heller  
Hensarling  
Herger  
Herseth Sandlin  
Higgins  
Hill  
Himes  
Hinchey  
Hinojosa  
Hirono  
Hodes  
Holden  
Holt  
Honda  
Hoyer  
Hunter  
Inglis  
Inslee  
Israel  
Issa  
Jackson (IL)  
Jackson Lee  
(TX)  
Jenkins  
Johnson (GA)

Johnson (IL)  
Johnson, E. B.  
Johnson, Sam  
Jones  
Jordan (OH)  
Kagen  
Kanjorski  
Kaptur  
Kennedy  
Kildee  
Kilpatrick (MI)  
Kilroy  
Kind  
King (IA)  
King (NY)  
Kingston  
Kirkpatrick (AZ)  
Kissell  
Klein (FL)  
Kline (MN)  
Kosmas  
Kratovil  
Kucinich  
Lamborn  
Lance  
Langevin  
Larsen (WA)  
Larson (CT)  
Latham  
LaTourette  
Latta  
Lee (CA)  
Lee (NY)  
Levin  
Lewis (CA)  
Lewis (GA)  
Linder  
Lipinski  
LoBiondo  
Lofgren, Zoe  
Lowey  
Lucas  
Luetkemeyer  
Lujan  
Lummis  
Lungren, Daniel E.  
Lynch  
Mack  
Maffei  
Maloney  
Manzullo  
Marchant  
Markey (CO)  
Markey (MA)  
Marshall  
Matheson  
Matsui  
McCarthy (CA)  
McCarthy (NY)  
McCaul  
McClintock  
McCollum  
McCotter  
McDermott  
McGovern  
McHenry  
McIntyre  
McKeon  
McMahon  
McMorris  
Rodgers  
McNerney  
Meek (FL)  
Meeks (NY)  
Melancon  
Mica  
Michaud  
Miller (FL)  
Miller (MI)  
Miller (NC)  
Miller, Gary  
Minnick  
Mitchell  
Mollohan  
Moore (KS)  
Moran (KS)  
Moran (VA)  
Murphy (CT)  
Murphy (NY)  
Murphy, Patrick  
Murphy, Tim  
Myrick  
Nadler (NY)  
Napolitano  
Neal (MA)

Neugebauer  
Nunes  
Nye  
Obey  
Olson  
Olver  
Ortiz  
Owens  
Pallone  
Pascarella  
Pastor (AZ)  
Paulsen  
Payne  
Pence  
Perlmutter  
Perriello  
Peters  
Petri  
Pingree (ME)  
Pitts  
Platts  
Poe (TX)  
Polis (CO)  
Pomeroy  
Posey  
Price (GA)  
Price (NC)  
Quigley  
Radanovich  
Rahall  
Rangel  
Rehberg  
Reichert  
Reyes  
Richardson  
Rodriguez  
Roe (TN)  
Rogers (AL)  
Rogers (KY)  
Rogers (MI)  
Rohrabacher  
Rooney  
Ros-Lehtinen  
Roskam

Ross  
Rothman (NJ)  
Roybal-Allard  
Royce  
Ruppersberger  
Rush  
Ryan (OH)  
Ryan (WI)  
Salazar  
Sánchez, Linda T.  
Sanchez, Loretta  
Sarbanes  
Scalise  
Schauer  
Schiff  
Schmidt  
Schock  
Schwartz  
Scott (GA)  
Scott (VA)  
Sensenbrenner  
Serrano  
Sessions  
Sestak  
Shadegg  
Shea-Porter  
Sherman  
Shimkus  
Shuler  
Shuster  
Simpson  
Sires  
Skelton  
Slaughter  
Smith (NE)  
Smith (NJ)  
Smith (TX)  
Smith (WA)  
Snyder  
Space  
Speier  
Spratt  
Stark

Stearns  
Stupak  
Sullivan  
Sutton  
Tanner  
Teague  
Terry  
Thompson (CA)  
Thompson (MS)  
Thompson (PA)  
Thornberry  
Tiahrt  
Tiberi  
Tierney  
Titus  
Tonko  
Towns  
Tsongas  
Turner  
Upton  
Van Hollen  
Velázquez  
Vislosky  
Walden  
Walz  
Wasserman  
Schultz  
Waters  
Watson  
Watt  
Waxman  
Weiner  
Welch  
Westmoreland  
Whitfield  
Wilson (OH)  
Wilson (SC)  
Wittman  
Wolf  
Wu  
Yarmuth  
Young (FL)

## NAYS—2

Flake  
Cao  
Cummings  
Engel  
Griffith  
Hoekstra  
Kirk

Paul  
Loebach  
Miller, George  
Moore (WI)  
Oberstar  
Peterson  
Putnam

## NOT VOTING—18

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE  
The SPEAKER pro tempore (during the vote). Members have 2 minutes remaining on this vote.

□ 1524

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

# MOMENT OF SILENCE HONORING THE PASSING OF FORMER REPRESENTATIVE MARVIN ESCH

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

## GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members be given 5 legislative days to revise and extend their remarks on the matter that I am about to address.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I rise with considerable sadness to announce

the death of a good friend of most of us in this body. Our former colleague and friend, Congressman Marvin Esch of Ann Arbor has died. He was 82.

Mr. Esch served in the Michigan State House of Representatives from 1965 to 1966. He was then elected to the U.S. House of Representatives, where he represented Ann Arbor and southeastern Michigan through about 1976. In 1976, he made an unsuccessful bid for the United States Senate, losing to our friend and colleague Donald Riegle in the general election.

Mr. Esch was a veteran of both the U.S. Maritime Service and the United States Army. He was indeed proud of helping his constituents to navigate the problems that they were having with the Federal Government, especially widows and veterans, as his family takes pride in saying. In Congress, he pushed for an accelerated end to the Vietnam War, and he worked to create an all-volunteer military.

He counted Gerald Ford as one of his dear friends. They were both University of Michigan graduates, and he stood by him when President Ford was sworn in as the 38th President of the United States on the day that former President Nixon resigned.

He was born in Flint, Pennsylvania, on August 4, 1927. He went on to attend the University of Michigan, where he earned an A.B. in 1950, an M.A. in 1951, and a Ph.D. in 1957. He was a lifelong supporter of University of Michigan sports and took considerable pride in the success of that great school.

After his time in politics, he served as director of public affairs for the U.S. Steel Corporation from 1977 to 1980. From 1981 to 1987, he was the director of programs and seminars for the American Enterprise Institute. After his retirement in 1992, he worked on a number of philanthropic projects with The Communication Group.

He died in his sleep Saturday, June 19, two days after celebrating his 60th anniversary. His wife, Olga, survives him. He is survived also by his brother, Gordon Esch; a sister, Emily Esch of Bigfork, Montana; son, Tom Esch and his wife, Charlene, of Kalispell, Montana; and by grandsons and numerous nieces and nephews.

We all remember him as a kind man who loved to tell and hear stories. He was an optimist who made and cherished lifelong friendships. His relationship with his wife, as well as his relationships with his colleagues, and his hope for the country could best be summed up in the phrase, "And the best is yet to be."

I now yield to my dear friend from Michigan.

Mr. UPTON. Mr. Speaker, I would just briefly like to say I echo the remarks by the dean of the House and the dean of the Michigan delegation.

I knew Marv Esch as a staffer. He was a wonderful man, dedicated to this House and to making things work.

□ 1530

We will all miss him. It is sometimes tough to be a Wolverine, and as you know, he was a great Wolverine.

Mr. DINGELL. I now ask, Mr. Speaker, that the House have a moment of silence in honor of our former colleague and friend, Marvin Esch.

The SPEAKER pro tempore. Members will rise and observe a moment of silence.

#### FIREARMS EXCISE TAX IMPROVEMENT ACT OF 2010

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 5552) to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. KIND) that the House suspend the rules and pass the bill, as amended.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 412, nays 6, not voting 14, as follows:

[Roll No. 400]

YEAS—412

Ackerman  
Aderholt  
Adler (NJ)  
Akin  
Alexander  
Altmire  
Andrews  
Arcuri  
Austria  
Baca  
Bachmann  
Bachus  
Baird  
Baldwin  
Barrett (SC)  
Barrow  
Bartlett  
Barton (TX)  
Bean  
Becerra  
Berkley  
Berman  
Berry  
Biggert  
Bilbray  
Bilirakis  
Bishop (GA)  
Bishop (NY)  
Bishop (UT)  
Blackburn  
Blumenauer  
Blunt  
Bocchieri  
Boehner  
Bonner  
Bono Mack  
Boozman  
Boren  
Boswell  
Boucher  
Boustany  
Boyd  
Brady (PA)

Brady (TX)  
Braley (IA)  
Bright  
Broun (GA)  
Brown (SC)  
Brown, Corrine  
Brown-Waite,  
Ginny  
Buchanan  
Burgess  
Burton (IN)  
Butterfield  
Buyer  
Calvert  
Camp  
Campbell  
Cantor  
Capito  
Capps  
Capuano  
Cardoza  
Carnahan  
Carney  
Carson (IN)  
Carter  
Cassidy  
Castle  
Castor (FL)  
Chaffetz  
Chandler  
Childers  
Chu  
Clarke  
Clay  
Cleaver  
Clyburn  
Coble  
Coffman (CO)  
Cohen  
Cole  
Conaway  
Connolly (VA)  
Cooper

Costa  
Costello  
Courtney  
Crenshaw  
Critz  
Crowley  
Cuellar  
Culberson  
Dahlkemper  
Davis (AL)  
Davis (CA)  
Davis (IL)  
Davis (KY)  
Davis (TN)  
DeFazio  
DeGette  
DeLauro  
DeLauro  
Dent  
Deutch  
Diaz-Balart, L.  
Diaz-Balart, M.  
Dicks  
Dingell  
Djou  
Doggett  
Donnelly (IN)  
Doyle  
Dreier  
Driehaus  
Duncan  
Edwards (MD)  
Edwards (TX)  
Ehlers  
Ellison  
Ellsworth  
Emerson  
Eshoo  
Etheridge  
Fallin  
Fattah  
Filner  
Flake

Fleming  
Forbes  
Fortenberry  
Foster  
Fox  
Frank (MA)  
Franks (AZ)  
Frelinghuysen  
Fudge  
Gallegly  
Garamendi  
Garrett (NJ)  
Gerlach  
Giffords  
Gingrey (GA)  
Gohmert  
Gonzalez  
Goodlatte  
Gordon (TN)  
Granger  
Graves (GA)  
Graves (MO)  
Grayson  
Green, Al  
Green, Gene  
Grijalva  
Guthrie  
Gutierrez  
Hall (NY)  
Hall (TX)  
Halvorson  
Hare  
Harman  
Harper  
Hastings (FL)  
Hastings (WA)  
Heinrich  
Heller  
Hensarling  
Herger  
Herseth Sandlin  
Higgins  
Hill  
Himes  
Hinchey  
Hinojosa  
Hirono  
Hodes  
Holden  
Holt  
Honda  
Hoyer  
Hunter  
Inglis  
Inslee  
Israel  
Issa  
Jackson (IL)  
Jackson Lee  
Critz  
Jenkins  
Johnson (GA)  
Johnson (IL)  
Johnson, E. B.  
Johnson, Sam  
Jones  
Jordan (OH)  
Kagen  
Kanjorski  
Kaptur  
Kennedy  
Kildee  
Kilpatrick (MI)  
Kilroy  
Kind  
King (IA)  
King (NY)  
Kingston  
Kirkpatrick (AZ)  
Kissell  
Klein (FL)  
Kline (MN)  
Kosmas  
Kratovil  
Lamborn  
Lance  
Langevin  
Larsen (WA)  
Larson (CT)  
Latham  
LaTourette  
Latta  
Lee (CA)  
Lee (NY)  
Levin  
Lewis (CA)  
Lewis (GA)

Linder  
Lipinski  
LoBiondo  
Loebach  
Lofgren, Zoe  
Lowey  
Lucas  
Luetkemeyer  
Lujan  
Lummis  
Lungren, Daniel  
E.  
Lynch  
Mack  
Maffei  
Maloney  
Manzullo  
Marchant  
Markey (CO)  
Markey (MA)  
Marshall  
Matheson  
Matsui  
McCarthy (CA)  
McCarthy (NY)  
McCaul  
McClintock  
McCollum  
McCotter  
McDermott  
McGovern  
McHenry  
McIntyre  
McKeon  
McMahon  
McMorris  
Rodgers  
McNerney  
Meek (FL)  
Meeks (NY)  
Melancon  
Mica  
Michaud  
Miller (FL)  
Miller (MI)  
Miller (NC)  
Miller, Gary  
Miller, George  
Minnick  
Mitchell  
Mollohan  
Moore (KS)  
Moran (KS)  
Moran (VA)  
Murphy (CT)  
Murphy (NY)  
Murphy, Patrick  
Murphy, Tim  
Myrick  
Napolitano  
Neal (MA)  
Neugebauer  
Nunes  
Nye  
Obey  
Olson  
Oliver  
Ortiz  
Owens  
Pallone  
Pascrell  
Pastor (AZ)  
Paulsen  
Payne  
Pence  
Perlmutter  
Perriello  
Peters  
Peterson  
Petri  
Pingree (ME)  
Pitts  
Platts  
Poe (TX)  
Polis (CO)  
Pomeroy  
Posey  
Price (GA)  
Price (NC)  
Quigley  
Radanovich  
Rahall  
Rangel  
Rehberg  
Reichert  
Reyes  
Richardson

Rodriguez  
Roe (TN)  
Rogers (AL)  
Rogers (KY)  
Rogers (MI)  
Rohrabacher  
Rooney  
Ros-Lehtinen  
Roskam  
Ross  
Rothman (NJ)  
Roybal-Allard  
Royce  
Ruppersberger  
Rush  
Ryan (OH)  
Ryan (WI)  
Salazar  
Sanchez, Linda  
T.  
Sanchez, Loretta  
Sarbanes  
Scalise  
Schakowsky  
Schauer  
Schiff  
Schmidt  
Schock  
Schrader  
Schwartz  
Scott (GA)  
Scott (VA)  
Sensenbrenner  
Serrano  
Sessions  
Sestak  
Shadegg  
Shea-Porter  
Sherman  
Shimkus  
Shuler  
Shuster  
Simpson  
Sires  
Skelton  
Smith (NE)  
Smith (NJ)  
Smith (TX)  
Smith (WA)  
Snyder  
Space  
Speier  
Spratt  
Stark  
Stearns  
Stupak  
Sullivan  
Sutton  
Tanner  
Teague  
Terry  
Thompson (CA)  
Thompson (MS)  
Thompson (PA)  
Thornberry  
Tiahrt  
Tiberi  
Tierney  
Titus  
Tonko  
Towns  
Tsongas  
Turner  
Upton  
Van Hollen  
Velázquez  
Peters  
Visclosky  
Walden  
Walz  
Wasserman  
Schultz  
Watson  
Watt  
Waxman  
Weiner  
Welch  
Westmoreland  
Whitfield  
Wilson (OH)  
Wilson (SC)  
Wittman  
Wolf  
Wu  
Yarmuth  
Young (FL)

## NAYS—6

Conyers Kucinich Paul  
Farr Nadler (NY) Waters

## NOT VOTING—14

Cao Kirk Taylor  
Cummings Moore (WI) Wamp  
Engel Oberstar Woolsey  
Griffith Putnam Young (AK)  
Hoekstra Slaughter

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1538

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

### HOMEBUYER ASSISTANCE AND IMPROVEMENT ACT OF 2010

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 5623) to amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. LEVIN) that the House suspend the rules and pass the bill, as amended.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 409, nays 5, not voting 18, as follows:

[Roll No. 401]

## YEAS—409

|              |                |               |
|--------------|----------------|---------------|
| Ackerman     | Boehner        | Carter        |
| Aderholt     | Bonner         | Cassidy       |
| Adler (NJ)   | Bono Mack      | Castle        |
| Akin         | Boozman        | Castor (FL)   |
| Alexander    | Boren          | Chaffetz      |
| Altmire      | Boswell        | Chandler      |
| Andrews      | Boucher        | Childers      |
| Arcuri       | Boustany       | Chu           |
| Austria      | Boyd           | Clarke        |
| Baca         | Brady (PA)     | Clay          |
| Bachmann     | Brady (TX)     | Cleaver       |
| Bachus       | Braley (IA)    | Clyburn       |
| Baird        | Bright         | Coble         |
| Baldwin      | Broun (GA)     | Coffman (CO)  |
| Barrett (SC) | Brown (SC)     | Cohen         |
| Barrow       | Brown, Corrine | Cole          |
| Bartlett     | Brown-Waite,   | Conaway       |
| Barton (TX)  | Ginny          | Connolly (VA) |
| Bean         | Buchanan       | Conyers       |
| Becerra      | Burgess        | Cooper        |
| Berkley      | Burton (IN)    | Costa         |
| Berman       | Butterfield    | Costello      |
| Berry        | Buyer          | Courtney      |
| Biggert      | Calvert        | Crenshaw      |
| Bilbray      | Camp           | Critz         |
| Bilirakis    | Cantor         | Crowley       |
| Bishop (GA)  | Capito         | Cuellar       |
| Bishop (NY)  | Capps          | Culberson     |
| Bishop (UT)  | Capuano        | Dahlkemper    |
| Blackburn    | Cardoza        | Davis (AL)    |
| Blumenauer   | Carmahan       | Davis (CA)    |
| Blunt        | Carney         | Davis (IL)    |
| Bocieri      | Carson (IN)    | Davis (KY)    |

|                 |                  |                  |
|-----------------|------------------|------------------|
| Davis (TN)      | Kildee           | Paulsen          |
| DeFazio         | Kilpatrick (MI)  | Payne            |
| DeGette         | Kilroy           | Pence            |
| Delahunt        | Kind             | Perlmutter       |
| DeLauro         | King (IA)        | Perriello        |
| Dent            | King (NY)        | Peters           |
| Deutch          | Kingston         | Petri            |
| Diaz-Balart, L. | Kirkpatrick (AZ) | Pingree (ME)     |
| Diaz-Balart, M. | Kissell          | Pitts            |
| Dicks           | Klein (FL)       | Platts           |
| Dingell         | Kline (MN)       | Poe (TX)         |
| Djou            | Kosmas           | Polis (CO)       |
| Doggett         | Kratovil         | Pomeroy          |
| Donnelly (IN)   | Kucinich         | Posey            |
| Doyle           | Lamborn          | Price (GA)       |
| Dreier          | Lance            | Price (NC)       |
| Driehaus        | Langevin         | Quigley          |
| Duncan          | Larsen (WA)      | Radanovich       |
| Edwards (MD)    | Larson (CT)      | Rahall           |
| Edwards (TX)    | Latham           | Rangel           |
| Ehlers          | LaTourette       | Rehberg          |
| Ellison         | Latta            | Reichert         |
| Ellsworth       | Lee (CA)         | Reyes            |
| Emerson         | Lee (NY)         | Richardson       |
| Eshoo           | Levin            | Rodriguez        |
| Etheridge       | Lewis (CA)       | Roe (TN)         |
| Fallin          | Lewis (GA)       | Rogers (AL)      |
| Farr            | Lipinski         | Rogers (KY)      |
| Fattah          | LoBiondo         | Rogers (MI)      |
| Filner          | Loebach          | Rohrabacher      |
| Fleming         | Lofgren, Zoe     | Rooney           |
| Forbes          | Lowe             | Ros-Lehtinen     |
| Fortenberry     | Lucas            | Roskam           |
| Foster          | Luetkemeyer      | Ross             |
| Fox             | Lujan            | Rothman (NJ)     |
| Frank (MA)      | Lummis           | Roybal-Allard    |
| Franks (AZ)     | Lungren, Daniel  | Royce            |
| Frelinghuysen   | E.               | Ruppersberger    |
| Fudge           | Lynch            | Rush             |
| Gallegly        | Mack             | Ryan (OH)        |
| Garamendi       | Maffei           | Ryan (WI)        |
| Garrett (NJ)    | Maloney          | Salazar          |
| Gerlach         | Manzullo         | Sanchez, Linda   |
| Giffords        | Marchant         | T.               |
| Gingrey (GA)    | Markey (CO)      | Sanchez, Loretta |
| Gohmert         | Markey (MA)      | Sarbanes         |
| Gonzalez        | Marshall         | Scalise          |
| Goodlatte       | Matheson         | Schakowsky       |
| Gordon (TN)     | Matsui           | Schauer          |
| Granger         | McCarthy (CA)    | Schiff           |
| Graves (GA)     | McCarthy (NY)    | Schmidt          |
| Graves (MO)     | McCaul           | Schock           |
| Grayson         | McCollum         | Schrader         |
| Green, Al       | McCotter         | Scott (GA)       |
| Green, Gene     | McDermott        | Scott (VA)       |
| Grijalva        | McGovern         | Sensenbrenner    |
| Guthrie         | McHenry          | Serrano          |
| Gutierrez       | McIntyre         | Sestak           |
| Hall (NY)       | McKeon           | Shadeeg          |
| Hall (TX)       | McMahon          | Shea-Porter      |
| Halvorson       | McMorris         | Sherman          |
| Hare            | Rodgers          | Shimkus          |
| Harper          | McNerney         | Shuler           |
| Hastings (FL)   | Meek (FL)        | Shuster          |
| Hastings (WA)   | Meeks (NY)       | Simpson          |
| Heinrich        | Melancon         | Sires            |
| Heller          | Mica             | Skelton          |
| Hergert         | Michaud          | Slaughter        |
| Hereth Sandlin  | Miller (FL)      | Smith (NE)       |
| Higgins         | Miller (MI)      | Smith (NJ)       |
| Hill            | Miller (NC)      | Smith (TX)       |
| Himes           | Miller, Gary     | Smith (WA)       |
| Hinchey         | Miller, George   | Snyder           |
| Hinojosa        | Minnick          | Space            |
| Hirono          | Mitchell         | Speier           |
| Hodes           | Mollohan         | Spratt           |
| Holden          | Moore (KS)       | Stark            |
| Holt            | Moran (KS)       | Stearns          |
| Honda           | Moran (VA)       | Stupak           |
| Hoyer           | Murphy (CT)      | Sullivan         |
| Hunter          | Murphy (NY)      | Sutton           |
| Inglis          | Murphy, Patrick  | Tanner           |
| Inslee          | Murphy, Tim      | Teague           |
| Israel          | Myrick           | Terry            |
| Issa            | Nadler (NY)      | Thompson (CA)    |
| Jackson (IL)    | Napolitano       | Thompson (MS)    |
| Jackson Lee     | Neal (MA)        | Thompson (PA)    |
| (TX)            | Neugebauer       | Thornberry       |
| Jenkins         | Nunes            | Tiahrt           |
| Johnson (GA)    | Nye              | Tiberi           |
| Johnson (IL)    | Obey             | Tierney          |
| Johnson, E. B.  | Olson            | Titus            |
| Johnson, Sam    | Oliver           | Tonko            |
| Jones           | Ortiz            | Towns            |
| Jordan (OH)     | Owens            | Tsongas          |
| Kagen           | Pallone          | Turner           |
| Kanjorski       | Pascarell        | Upton            |
| Kaptur          | Pastor (AZ)      | Van Hollen       |
| Kennedy         | Paul             | Velázquez        |

|           |              |            |
|-----------|--------------|------------|
| Walden    | Waxman       | Wittman    |
| Walz      | Weiner       | Wolf       |
| Wasserman | Welch        | Wu         |
| Schultz   | Westmoreland | Yarmuth    |
| Waters    | Whitfield    | Young (FL) |
| Watson    | Wilson (OH)  |            |
| Watt      | Wilson (SC)  |            |

## NAYS—5

|          |            |            |
|----------|------------|------------|
| Campbell | Hensarling | McClintock |
| Flake    | Linder     |            |

## NOT VOTING—18

|          |            |            |
|----------|------------|------------|
| Cao      | Kirk       | Sessions   |
| Cummings | Moore (WI) | Taylor     |
| Engel    | Oberstar   | Visclosky  |
| Griffith | Peterson   | Wamp       |
| Harman   | Putnam     | Woolsey    |
| Hoekstra | Schwartz   | Young (AK) |

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1545

Mr. GARRETT of New Jersey changed his vote from “nay” to “yea.”

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. SESSIONS. Mr. Speaker, I was inadvertently detained and missed rollcall No. 401, passage of H.R. 5623, the Homebuyers Assistance and Improvement Act of 2010. Had I been present, I would have voted “aye.”

## PERSONAL EXPLANATION

Ms. MOORE of Wisconsin. Mr. Speaker, I was unable to vote today on rollcall 398 through rollcall 401. Had I been present I would have voted “yes” on all four.

### EXPRESSING THE CONDOLENCES OF THE HOUSE OF REPRESENTATIVES ON THE DEATH OF THE HONORABLE ROBERT C. BYRD, A SENATOR FROM THE STATE OF WEST VIRGINIA

Mr. RAHALL. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution, as follows:

## H. RES. 1484

*Resolved*, That the House has heard with profound sorrow of the death of the Honorable Robert C. Byrd, a Senator from the State of West Virginia.

*Resolved*, That a committee of such Members of the House as the Speaker may designate, together with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

*Resolved*, That when the House adjourns today, it adjourn as a further mark of respect to the memory of the deceased Senator.

The SPEAKER pro tempore. The gentleman from West Virginia is recognized for 1 hour.

Mr. RAHALL. Mr. Speaker, I yield the customary 30 minutes to the gentlewoman from West Virginia (Mrs. CAPITO).

## GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on this resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RAHALL. Mr. Speaker, I am honored to yield 1 minute to the gentlewoman from California (Ms. PELOSI), the Speaker of the House.

Ms. PELOSI. I am honored to join you, Chairman RAHALL and Congresswoman CAPITO, in singing the praises of a great man, Senator ROBERT C. BYRD of West Virginia, a man who loved his State, loved this country, and was a such important part of this Congress.

Throughout his remarkable career, he worked for all Americans, and he never stopped fighting for the people of West Virginia. While we are here, we all take pride in bearing witness to history. Senator BYRD shaped it, and in shaping history, he built a better future for all Americans.

His story was the true embodiment of the American dream. An orphan at a young age, Senator BYRD refused to allow his circumstances to limit the reach of his potential or his ability.

□ 1550

A son of West Virginia's coal country, he was the first in his family to be educated above the second grade. He worked as a butcher and a welder and entered office to serve his community and his neighbors. In doing so, he would ultimately make America a better place for every American.

Though many note his mastery of the Senate, I note that ROBERT BYRD's service began in the Congress here in the House of Representatives in 1953. His service in the House is a source of pride to all of us, though Senator BYRD remarked that he was happy to leave behind the limitations on speaking time that apply on the House floor. In fact, I checked the CONGRESSIONAL RECORD myself on that. In the year that Senator BYRD first came to Congress, I found that in one single floor speech he managed to quote the "Book of Ecclesiastes," Shakespeare's "The Merchant of Venice," Daniel Webster, and Rudyard Kipling, all while discussing trade policy. That was a sign of the great oratory that would come over the next 57 years. In that time, Senator BYRD would become Congress's foremost scholar on the institutions of our democracy. He always spoke truth to power. He served as a voice of reason. He was always a gentleman, charming any friend or foe.

Today, the entire Nation mourns the loss of this great champion, leader, and public servant. For more than 57 years, Congress has benefited from his wis-

dom and passion. For generations to come, ROBERT C. BYRD's name will remain etched in history books for his accomplishments and for his courage.

Senator BYRD has gone home to be with his beloved Erma. We hope it is a comfort to the Byrd family that so many join them in grieving their loss at this sad time.

Mr. RAHALL. Mr. Speaker, I yield 1 minute to the distinguished majority leader of the House of Representatives, the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the distinguished Member from West Virginia, the chairman of our Natural Resources Committee, NICK JOE RAHALL, of whom ROBERT BYRD was very proud.

I also am pleased to recognize the Speaker pro tempore, ALAN MOLLOHAN, of whom ROBERT BYRD was very proud, and who he considered a partner. I thank Congresswoman CAPITO for allowing me to speak—in fact, out of order—on the passing of the distinguished American who was larger than life in so many respects.

Today, we honor the life of Senator ROBERT BYRD. History will reflect him as the longest-serving Member Congress has ever seen. But, of course, if it were only longevity that we were honoring, it would simply be the hand of fate that allowed that to happen. But what we really honor is that ROBERT C. BYRD used his longevity to such extraordinary benefit of the people he served in the State of West Virginia, the people of this Nation, and the legislative branch of government. I doubt that there have been any peers to ROBERT C. BYRD in standing on the floor of the United States Senate or of the House of Representatives or in any forum in which he was temporarily present, that any more strong advocacy of the equality and separateness of the legislative branch was made clear.

ROBERT C. BYRD was a giant. He was a giant in terms of character. He grew during the course of his lifetime, which is a mark of a great man. All of us are, to some degree, captives of the environment in which we are raised and in which we live. ROBERT C. BYRD is no different. But ROBERT C. BYRD grew. He grew intellectually. He grew culturally. But he did not, in growing, leave his base. He did not forget the values that he learned in West Virginia—the values of courtesy; of kindness; of caring; of helping; of making sure that the people who were not famous, who did not have power, who did not have positions of note were never, never forgotten.

Mr. Speaker, I remember an incident that I'm sure was not unique to me. Early on in my career I went over on an appropriation matter—like you, Mr. Speaker, as a member of the Appropriations Committee. Senator BYRD invited me in. He was then majority leader. He invited me into his office. We sat down. And for the next 45 minutes—which, as a junior Member of the

House, I found extraordinary—he regaled me on the history of the Senate and the books he had written. I was mesmerized in the presence of this giant of the legislative body.

At the end, as I'm sure he did to so many of us, he gave me a rectangular painting of a covered bridge in West Virginia. Mr. OBEY is going to speak at some point in time—and Mr. OBEY has a similar painting hanging in his office. Now it's not the original because BOB BYRD gave it to so many of us. But I looked at that and I thought to myself, What a kind gesture. How impressed I was, this young Member of Congress being accorded this kind of respect from this giant in the United States Senate.

ROBERT C. BYRD will be dearly missed by us all, and he will be missed most of all when very difficult issues confront the legislative body and there is a clamor that the legislature agree with the executive, for whatever reasons; a clamor that all too often emanates from fear of this, that, or the other, and that fear would ignore the constitutional role played by the Congress of the United States. It is then that we will miss Senator BYRD's clarity of intellect, of conscience, of commitment to the Constitution of the United States of America, as well to the rules of the United States Senate. He was a passionate advocate for people, for principle, for the Constitution, and for our country. Senator BYRD, we will miss you. But we will remember fondly your contribution and be ever thankful that we had the opportunity to serve with you.

Some of you remember my dog Charlotte. My dog Charlotte was with me for 15½ years. Some of you will recall for 10 of those years Charlotte came to work with me every day. Charlotte was an English Springer Spaniel. I planted a tree in my yard—it's a dogwood tree—and there's a stone and a bronze plaque for Charlotte. Charlotte was one of the loves of my life. I lived alone with her for 10½ years after Judy passed away.

The first call I got the day after Charlotte passed was from ROBERT C. BYRD saying how sorry he was that I had lost Charlotte. That was an indication of his humanity, of his caring for others.

Yes, he was a great man. But he was a man who understood the pain, the aspirations, and the hopes of all with whom he came in contact.

Thank you, ROBERT C. BYRD, our good and faithful servant.

Mrs. CAPITO. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Speaker, I very much appreciate the gentle lady's yielding.

ROBERT BYRD, a colleague and associate on the Appropriations Committee, this incredible, incredible leader in our committee, has made such a difference over the years. Beyond that, I quickly developed great respect for

his support of the legislative role relative to our constitutional responsibility. And over the decades he has fought administration after administration, Democrat and Republican alike, whose bureaucrats want to take away authority from the legislative branch. His voice was heard consistently reflecting the priorities of this institution. And for that I will never forget him.

□ 1600

As you have just heard from our leader, in recent years, Senator BYRD and I developed a different kind of friendship because of our love for our dogs. Indeed, it was a reflection of this man, the wonderful human side of this man, that has been the experience for me. We will—Arlene, my dog Bruin, and I—miss Senator BYRD.

Mr. RAHALL. Mr. Speaker, it's my honor to yield such time as he may consume to the distinguished chairman of our House Appropriations Committee, the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. I thank the gentleman for the time.

Mr. Speaker, for most of the last 15 years, Senator ROBERT BYRD led the Senate Democrats on the Appropriations Committee. And for roughly that same amount of time, I had the same privilege on the House side, and I got to know him extremely well. I loved ROBERT BYRD. For one thing, he and I shared a love of bluegrass music. I daresay he was the finest fiddler in the history of the Congress, but that's not the real reason that I hold him in such high esteem.

He began as a product of a segregated background, but through sheer intense pursuit of knowledge, understanding, and wisdom, he became a person who is a powerful representative for the cause of equal opportunity for everyone. I can think of no one in the history of the Senate who demonstrated a greater capacity for personal growth than did ROBERT BYRD. He was truly unmatched in his recognition of our obligation to the Constitution and to the institution of the Congress itself.

And the greatest thing about him, in addition to his dedication, was, simply put, he had guts; and he wasn't afraid to demonstrate that on many occasions when the Nation needed to see it demonstrated. He made the point that he never served under any President. He served with many, honorably and with distinction. They really don't make them like him anymore.

Mrs. CAPITO. Mr. Speaker, I yield myself such time as I may consume.

I rise today to thank my colleague from West Virginia's Third Congressional District (Mr. RAHALL) for offering this resolution, honoring the passing of our senior Senator, Senator ROBERT C. BYRD. I want to thank the Speaker, my other colleague from West Virginia, for his dedication and friendship to Senator BYRD through many more years than I have served here in

this Congress. As the three of us know, this is a difficult time for all West Virginians and the United States Senate.

As my colleagues know, Senator BYRD was an institution not only in West Virginia but also in the United States Senate. Coming from very modest beginnings, the young man from rural Raleigh County, West Virginia, rose from the mountains of Appalachia to become a lion in the greatest deliberative body on Earth, the United States Senate. His path to success is truly emblematic of the American Dream.

Few can travel through our great State of West Virginia without recognizing the effect Senator BYRD had on our State. While he is well recognized for the many roads and buildings that are named in his honor, it is the leadership he displayed in bringing our delegation together when it mattered most for West Virginia that is truly a testament to the effect he has had on our State.

During my tenure—which for him was recent, 10 years—he rallied our delegation to save the 130th Air National Guard unit from being cut, and he began working with all of us towards a consensus on mine safety legislation after the tragic Sago mine incident. He was an able leader and led us all as leaders for West Virginia.

Senator BYRD was also a wonderful ambassador for Appalachia. West Virginians are very proud of our heritage and our strong work ethic throughout our lives, and Senator BYRD continued to share Appalachian culture—we just heard from Mr. OBEY on that—with his colleagues in Washington. Whether it was displaying his musical talents on the fiddle or his dedication to both American and world history or the process of the United States Senate or the protection of our Constitution, Senator BYRD was truly a man of many talents.

I will fondly remember, as I was attending a meeting in Charleston, West Virginia, probably 12 years ago—I knew about his fiddling, but I didn't know about his love of music and his vocal ability—when he joined Kathy Mattea in singing a duet of Amazing Grace. It was a great moment for me, but for him, he was celebrating his three loves: his music, his love of education, and his faith in God.

I also remember—and the other members of the delegation will remember this, too—we were in his office, and he served us lunch in his office. And when it came time for dessert, he asked all of us if we wanted dessert. And since we were all watching our waistlines, we sort of waived off dessert and said, No, we really don't need dessert. It's lunch. I think we are going to pass on dessert.

No, no. We must have dessert. We must have apple pie and ice cream.

And then he proudly told us how he had maintained the same weight for the last 57 years in the United States Congress. I think that's a feat to be celebrated, quite frankly.

He also talked a lot about—and we heard this, too—the love of his dogs. I remember when his beloved Billy died. He was crushed, and he wasn't afraid or ashamed or embarrassed to express the love and the compassion that he had and the companionship he felt with his dog. And I think that's a common bond that a lot of people here in the United States, but also in West Virginia, share.

So with Senator BYRD's passing, West Virginia has truly lost a favorite son. The United States Senate has lost an icon. And as any Senator will tell you, Senator BYRD served as a tremendous mentor in passing on Senate procedure to newly elected Senators. In many ways, Senator BYRD was an institution within the institution of the Senate, and the Senate will not be the same without him.

I will miss Senator BYRD's passion and ardent defense of our Nation's Constitution. He was certainly one of a kind, and I feel privileged to have served with him. I will never forget the advice that he gave me when I first sought his counsel when I first went in, in my first year serving in this body. And he said, "Shelley, you need to be a workhorse, not a show horse." Senator BYRD will always be remembered for his hard work as a workhorse and also for his dedication to representing our great State of West Virginia.

I wish to extend to Senator BYRD's family my deepest sympathies and know that he is at peace and at home with his beloved Erma.

So I would again thank Mr. RAHALL for presenting this. Senator BYRD will certainly be missed. And I want to pay tribute to his tremendous service, sacrifice, strength, honesty, and devotion to our State and Nation.

I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I am proud to yield 2 minutes to the gentleman from Washington, Mr. NORM DICKS, the distinguished chairman of our Defense Subcommittee on Appropriations and a classmate of mine.

Mr. DICKS. I thank the gentleman for yielding.

I had the great honor of serving in the other body for 8 years as an assistant to Senator Warren G. Magnuson. And during that time, Senator BYRD became the whip in the Senate. I can remember how he was faithfully writing notes every couple of days to Senator Magnuson, "I put this in the RECORD for you." He was absolutely committed to the United States Senate, and he was a forceful advocate.

I have served, as Chairman OBEY has, in many conferences with Senator BYRD. And when there was something that he wanted—and oftentimes to protect the workers of West Virginia on coal mining issues—the Congress responded because he was such a forceful advocate.

And one of the things I respected most about Senator BYRD was his knowledge of the history of the Senate,

the history of the Congress, and his devotion to that history. He would oftentimes talk about historic events and tie them in to current days.

You know, some people may have criticized him on spending issues, but he used to say, and I always used to quote him on this, the Congress can't give up the power of the purse because the power of the purse is in the Constitution; and it's part of the Constitution of the United States, a right that was earned in England when the people of England rose up against kings and demanded that Parliament have the power of deciding how the money was to be spent.

□ 1610

And as has been said by many here, he served with many Presidents, but he was not cowed by the presidency, and he would stand up on the floor of the Senate many times and talk about different wars, different situations we were in, and demand that the Executive appreciate the power of the Congress and respect the power of the Congress. And he served—I think he was elected nine full terms. That's a record that I doubt will ever be matched.

He also went to law school during his time in the Senate. Now, how many people could do that? I mean, it just was remarkable. And I think President Kennedy gave him his degree from American University just a few months before he was, unfortunately, tragically assassinated in Texas.

But ROBERT BYRD is a legendary figure. In my time here in the Congress I had the great fortune of serving on the Appropriations Committee for 34 years. But I served with Senator Magnuson, who became chairman of the Appropriations Committee. Senator BYRD was there throughout that entire time and a lot more.

And I just rise today in respect for him, his legacy, his commitment to the Congress. He had a wonderful family, and I'm sure that they're going to miss him. But they have, I think, the satisfaction of knowing that ROBERT BYRD did a great job, a fantastic job for the State of West Virginia, but also was a great Senator in a national perspective.

And so I just want to say to my colleague and classmate from West Virginia, who I know served on Senator BYRD's staff, and it was a great learning experience that you had in the other body, as I did. And I think it helped to prepare us for work here in the House of Representatives.

So I just would say again that we have lost a great American, a man of tremendous courage and commitment, and someone we respected, and his legacy and memory will live long in the history of the United States of America and in the Congress.

Mrs. CAPITO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio

(Ms. KAPTUR), a member of the Appropriations Committee as well.

Ms. KAPTUR. I thank the distinguished dean of the delegation for yielding to me. And with Speaker MOLLOHAN in the Chair this evening, the people of the Buckeye State of Ohio extend our deepest sympathies to the State of West Virginia, to the Byrd family, to all of the staff that served this truly remarkable human being and American, Senator ROBERT BYRD.

There's a great piece of music called "Ode to the Common Man" by Aaron Copeland, and as I'm saying these words this evening, I think of that music and of Senator BYRD's remarkable life. He truly was a wise man of the Legislative branch who belonged to the American people. He gave his life to us. His road had been a hard scrabble one from the very beginning. He's the kind of American that walked a tough road, who when he came here to serve, he never forgot people who came from backgrounds like his.

I had the great joy of serving with him on the Appropriations Committee. And being one of the few women that have ever served on that committee, when I arrived there in the 1990s, I can remember him sitting across from me at a conference committee, kind of looking over his glasses with a glint in his eye at this woman who was a bit younger than he was. He exhibited a great sense of welcome with also some surprise that indeed history in America was changing.

I respected and liked him so very, very much. And I appreciated his kindness to me. He loved history. I hold in my possession an autographed copy from him of "The Roman Republic and the Rule of Law" of the Senate of that era.

I loved speaking with him. I loved being on a program with him a few years ago with Leo Gerard, president of the Steelworkers, and listening to Senator BYRD deliver an impassioned speech about the American worker. He was such an exemplary representative for the working men and women of this country.

His intellect, his humor, his knowledge of the rules and history, his love of this institution and respect for it, and his passion, his passion on every issue that he handled. He had so much to teach all of us.

I happen to be a Democrat. He was a real Democrat. He set the pointer on a compass and that needle to represent all people.

He was a gentleman, he was civil, he was enlightened, he worked so hard. I can remember his telling a story about working on the railroads as a young man. That hard work and that sense of honor he carried with him through his entire service of over a half a century to the people of our country.

I will end with saying, as I think of "Ode to the Common Man," that the enormous courage that he displayed in the last years of his life is a lesson to us all. He continued to serve, despite

illness, despite difficulty, his doggedness, his determination—he truly was an heroic American. I personally shall miss him very, very much.

I thank the people of the State of West Virginia for continuing to send him to this Congress. He made us all better by serving with him. He built a better and more humane America. He was loved by this membership. We wish him Godspeed, and eternal rest grant unto him, O Lord.

I thank the gentleman from West Virginia for allowing me this time tonight to pay tribute to a great and good man and Senator for the ages. In knowing him, we have walked with history, and are grateful.

Mr. RAHALL. Mr. Speaker, it is now my deep honor to yield to a close personal friend and fellow member of our congressional delegation from West Virginia, Mr. ALAN MOLLOHAN. Mr. MOLLOHAN chairs the subcommittee on Appropriations on Commerce, Justice, Science and related agencies. He has served on many conferences with the late Senator BYRD as well. And I know Senator BYRD often said he had two sons, and that would be Alan and myself.

I'm very honored to yield such time as he may consume to ALAN MOLLOHAN.

Mr. MOLLOHAN. I thank my friend and colleague from West Virginia for yielding. And I know we have many tender memories of the Senator.

Mr. Speaker, it was with profound sadness that I learned yesterday of the passing of Senator ROBERT C. BYRD. This country knew Senator BYRD as one of the lions of the Senate, a ferocious advocate for his State and a principled spokesman for his beliefs, whether it was his opposition to the war in Iraq or his commitment to improve safety and working conditions in the coal fields of West Virginia.

This Congress, both sides of the Capitol, knew ROBERT C. BYRD as the chief defender of its constitutional prerogatives, an unequaled master of its parliamentary rules, an expert on its history, and one of the ablest legislative tacticians either Chamber has ever seen.

West Virginia knew Senator ROBERT C. BYRD as her own. It's difficult to adequately describe the bond of profound connection between the man and the State. People from outside the State might assume that this connection was built on the senator's legendary success in delivering Federal funds to West Virginia, and that would be wrong.

West Virginians understand how important that success was, of course. We know that those material contributions are literally incalculable in dollars invested, roads paved, buildings constructed, and jobs created. But the bond between Senator BYRD and West Virginia went far beyond that. It is almost as though his personal story not only inspired West Virginians, as it would most Americans, but that it captured so much of our State's culture



and our State's values. That personal history is known throughout the State.

Senator BYRD was the adopted son of a miner who graduated as class valedictorian. He was the manual worker who earned a law degree while serving in the United States Senate. He was the husband who relied for almost 70 years on his beloved wife, Erma. Those qualities of discipline, of integrity, and commitment forged in the mountains of West Virginia and exercised in the halls of Washington speak more strongly to West Virginians than any material measure of his immense contributions to the State.

□ 1620

I cannot imagine ROBERT C. BYRD representing any State other than West Virginia, and it is difficult to imagine West Virginia without Senator BYRD.

I knew Senator BYRD as a mentor. I was first elected to Congress in 1983. And after 28 years, I like to think of myself as a reasonably seasoned veteran of this body. But then I remind myself, before I took my first oath of office, Senator BYRD had already served more years than I have today. Twenty-eight years ago he was already a master of the legislative branch.

From my very first days in this House, Senator BYRD never withheld his support or his counsel. I can remember many times Senator BYRD calling Congressman RAHALL and myself over to his office just to consult, to ask what was going on in West Virginia, or to take counsel himself on what was going on in the House of Representatives, or just to find out what was going on in our personal lives, how our parents were, how our fathers were, how our mothers were. Those were touching moments.

Senator BYRD, many people have asked me, well, what is Senator BYRD really like? You know, he is such a disciplined person in public. People want to know, well, what is he like in private? And I think there are several insights that we have had glimpses of in previous speakers here this afternoon into what he was like as a man beyond a legislator. I can remember his being very touching and very concerned about his dog Billy, and bringing him to the Congress, or if he were home, worrying about how he was getting along. Very concerned and obviously loving toward a pet.

But most poignant was Senator BYRD's relationship with his wife, Erma. It was long. She was his childhood sweetheart. Senator BYRD used to tell the story about courting Erma with another young man's candy. The young man would come to school, and Senator BYRD and him would catch up, and the young man would give Senator BYRD a piece of candy. And Senator BYRD wouldn't eat that candy; he would save it and give it to his future wife, his sweetheart, Erma. That relationship lasted and grew and was warm and inspiring throughout his life. And

her passing a number of years ago was a very sad time in the life of Senator BYRD, obviously. It was also a very sad time in the State of West Virginia. They were a couple to be beloved by West Virginia.

I remember another touching moment, when my father passed almost 10 years ago. Senator BYRD attended the funeral and continued on after the service for about an hour's drive to where Dad was interred. And Senator BYRD after the service, he pulled me aside and told me what a lovely cemetery this was for Dad's resting place.

Finally, I knew Senator BYRD as a friend. I cannot remember a time when he was not in my life. And I will miss my friend. My wife, Barbara, and I offer our deepest condolences and our best wishes to Senator BYRD's family, to his staff, and to that close, wonderful circle of people who knew him and loved him.

Mr. RAHALL. How much time do I have remaining, Mr. Speaker?

The SPEAKER pro tempore (Mr. DICKS). The gentleman has 14½ minutes remaining.

Mr. RAHALL. I yield myself such time as I may consume.

Mr. Speaker, the gates of heaven opened wide early yesterday morning. West Virginia lost a faithful son, the Senate lost a father's watchful eye, and I lost my mentor and close friend.

I extend my prayers and thoughts to Senator BYRD's daughters, to his grandchildren and great grandchildren, to all his family, and to his staff, especially many of whom have been with him for so long. Sadly but surely, we will not see the likes of ROBERT C. BYRD pass our way again.

He came from humble beginnings. A virtual orphan, he was sent to be reared in the coalfields of our beloved State of West Virginia, enduring the depths of the Great Depression. But he was wealthy beyond belief with richness of values, all instilled in him by his adoptive parents.

A self-taught butcher, a welder, a Sunday school teacher, a student, a self-disciplined scholar with straight A's with 21 credit hours in his first semester of college, a young man still, he wanted to serve. Armed with little more than determination and a fiddle, he successfully entered politics. "Byrd by name, Byrd by nature, let's send Byrd to the legislature." How often he would fiddle that with a tin cup at the end of his fiddle, raising his first campaign funds. I recall, because my late father was the treasurer for those early campaigns of Senator BYRD.

But thus began what would become an unprecedented legislative service. Marshaling sharp focus, unwavering diligence, and old-fashioned hard work, old-fashioned hard work, he rose to remarkable heights of rank and responsibility to service to the Lord, to service to our State and our Nation as well. Yet Senator BYRD always remained true to his own essential nature. He never got above his raisin'.

He could mix with kings and queens and Presidents, and while doing that he never forgot from whence he came, and he always remained deeply proud of his roots. He often remarked he would just as soon be eatin' beans and cornbread and onions and sippin' buttermilk in the hills and hollers of West Virginia as having lavish dinners with kings and queens around the world.

I recall working for him in the Senate Democratic Cloakroom in 1972. During that time, a young man from Delaware by the name of JOE BIDEN was elected to the United States Senate. Within a month or two after Senator-elect JOE BIDEN's ascension to the United States Senate, he lost his first wife in a tragic, tragic car wreck. Senator BYRD turned to me and said, Nick, do you mind if we took a drive up to Wilmington, Delaware, so that we can pay our respects to Senator BIDEN's wife? I said, Sure.

I drove the car. It was a cold, rainy night, late November that 1972. We arrived in Wilmington. We arrived at the funeral home to face a long, long, winding line that was waiting out in the rain to pay their respects. Senator Biden heard we were in that line and sent word out he wanted us to come up and immediately get up front and come inside where it was warm. Senator BYRD said, no, he would not use his office, he would not use his prestige or power to jump in front of anybody already in line in front of him. So we stood in that cold rain, waiting to pay our respects to Senator-elect, at that time, JOE BIDEN's first wife.

The only individual to serve in both houses of the West Virginia Legislature and the U.S. Congress, Senator BYRD also achieved the distinction of holding more elective leadership offices in the United States Senate than anyone in the body's history. His Senate service is the body's longest.

Combined with his tenure in the House, Senator BYRD holds the distinction of serving in Congress longer than anyone else. His achievements and his unrivaled archive of accomplishments were the result of one sole purpose, to serve others. And he never tired of trying to find ways to help a little more, to do a little better.

Striving for the next rung was, for Senator BYRD, a lifelong pursuit. He was forever setting goals. And he challenged himself, his staff, his colleagues, all of us to meet or exceed those goals.

And you know one other remarkable feature about ROBERT C. BYRD. He made political contests, as bitter as they may seem at the time, the foundation for future and lasting friendships. Recall, for example, as I know the gentleman in the chair, Mr. DICKS, can recall very well, Senator BYRD's one-vote victory over the late Senator from Massachusetts, Ted Kennedy, whose son Patrick was just here on the floor.

Perhaps many considered that a bitter contest. But what did Senator BYRD use it for? To establish a lasting and

true friendship with Senator Ted Kennedy from Massachusetts, as we all know who passed shortly before Senator BYRD, and for whom Senator BYRD had nothing but the utmost and kindest words of praise, and truly defined a friendship that perhaps has not been in American politics for some time.

□ 1630

This was a defining quality and a wellspring of immeasurable joy that irrigated ever greater horizons for Senator BYRD. His penchant for setting records and then breaking his own was the inevitable result, but ultimately, we are the ones who reaped the great-est benefit.

In his later years, when anyone questioned age as somehow detrimental to service, Senator BYRD reveled in ticking off the names and ages of the ancients in the Old Testament and their continued service to the Lord: Moses was 120, Senator BYRD would say; Noah lived to be 960; Methuselah at 969 years old; and he would call out, While I am but a spry 85.

At 92, with the longest record of service in Congress well established, Senator BYRD enjoyed public service so much that it is possible he also had the longest, happiest life on record. If only we could have captured the energies produced by his immense job satisfaction. If only we could package them and share them with others.

Senator BYRD was cautious about the use of superlatives. He felt they were tossed around too casually, and although I do not doubt that he is now grimacing a bit at me for saying this, the fact is it is just not possible to speak about Senator BYRD without using superlatives: longest serving, hardest working, most revered, best loved. And the list goes on and on. Yes, he was passionate about people. He was passionate about politics. He was caring. He was all concerned about the lives of all of us in West Virginia.

As we all know, we go through personal trials and tribulations in our family—the loss of a loved one, sibling problems, loss of a job. Senator BYRD, when he was physically able, would so surprisingly show up in West Virginia offering that comforting arm around the shoulder and always telling those afflicted with tragedy to keep the faith in God, to don't let them get you down, keep plugging along. Senator BYRD himself, who never had a bad word to say about anybody despite some of the words that were said about him, was forever the true gentleman.

Many in this body had their own personal remembrances of Senator BYRD. He touched so many of us, encouraged us, taught us, even argued with us. And I can recall the last time perhaps, except for the miners' memorial that he attended this past April in honor of our 29 fallen coal miners, the only time before that he was probably in his home area of Raleigh County, Beckley, West Virginia, was a dinner in which he was

a surprise guest that honored yours truly. And my wife, Melinda, and I fixed up our house, and my wife even set up the "big daddy suite" in our home in West Virginia. That big daddy suite is still there waiting, as it always was, for Senator BYRD to pay a surprise visit.

We are all better for the life of Senator ROBERT BYRD. We owe him generous helpings of gratitude and admiration, and we shall all miss him.

Again, to Senator BYRD's family, we offer our prayers, our never-ending thanks for the fact that they shared Senator BYRD's extraordinary life with a grateful State and a grateful Nation.

Now, our former senior Senator, our late senior Senator is indeed with his beloved wife, Erma, who was always a twinkle in his eye. For 69 years, they were married before her passing some 5 years ago. The Senator is with his beloved Erma, smiling down upon all of us.

We say thank you, Senator BYRD. Thank you for all you've given our great State. Thank you for all you have given our Nation, because we shall miss you.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### CONGRATULATING DR. JOSEPH GRUNENWALD UPON HIS RETIREMENT FROM CLARION UNIVERSITY

(Mr. THOMPSON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of Pennsylvania. Mr. Speaker, I rise today in warm congratulations for Dr. Joseph Grunenwald upon his retirement from Clarion University in Clarion, Pennsylvania.

Dr. Grunenwald faithfully served Clarion for more than 30 years, earning him such honors as the title of president emeritus from the Pennsylvania State system of higher education. He's one of five in the organization's 27-year history to receive this honor, which is awarded to those who exhibit an exemplary record of service. Under his leadership, Clarion's enrollment reached record levels, and the university saw marked improvement in its academic, community, and business programs.

In addition, Dr. Grunenwald serves on the boards of numerous community organizations, attesting to his sincere dedication to the welfare and advancement of Clarion. He is a true example of community service and steadfast effort and deserves to be praised and honored. I am sure that Dr. Grunenwald

will continue to serve his community and foster positive progress.

Congratulations to Dr. Grunenwald. I wish you success and fulfillment in your years of retirement and look forward to working with Clarion University's 16th president, Dr. Karen Whitney.

#### PAYING TRIBUTE TO THE LIFE OF SENATOR BYRD

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute.)

Ms. JACKSON LEE of Texas. Madam Speaker, I was detained when my colleagues were on the floor of the House paying tribute to Senator BYRD and did not want this time to go without acknowledging my deep sympathy to his family and to my good friend from West Virginia and to acknowledge how special this man was to the institution we call Congress and to the freedom that this Nation stands for.

I cannot account for my personal encounters with Senator BYRD, but I can tell you, as someone who respects and loves this institution, what a man who understood the Constitution and rules that were not for selfish reasons, to keep people from being in power, but really it was to empower people.

He had no qualms in standing up against Presidential authority that was wrong in the Iraq War. He had no qualms in fighting to ensure that resources came to his great State. He loved the institution. He was a holder of knowledge, and what we will lose with his passing is that special sensitivity to the rules and to the responsibility we have to not play politics with this institution. We are here to serve America, and Senator BYRD did serve America.

May God rest his soul and may he rest in peace. Senator BYRD, we will miss you.

□ 1640

#### SEAMAN WILLIAM ORTEGA

(Mr. MARIO DIAZ-BALART of Florida asked and was given permission to address the House for 1 minute.)

Mr. MARIO DIAZ-BALART of Florida. Madam Speaker, I rise today to honor the life of Navy Seaman William Ortega. This fallen American hero gave his life on June 18 after a bomb exploded while he was in a patrol vehicle and while he was conducting combat operations against enemy forces in the Helmand Province in Afghanistan.

Seaman Ortega, 23 years old, was a hospital corpsman to the 3rd Battalion, 1st Marine Regiment, 1st Marine Division, 1st Marine Expeditionary Force at Camp Pendleton. His battalion is nicknamed the "Thundering Third."

His family stated that Seaman Ortega cherished becoming an American citizen. He enjoyed being named "student of the month" at school and winning first place at the local youth fair.

Throughout middle school and high school, he made the Honor Roll. He was involved in clubs, and he excelled in every sport that he played. After graduating from South Dade High School in 2005, Seaman Ortega went on to study at Florida Career College where he obtained a degree in Web site design.

Then Seaman Ortega joined the military because of the core values military life has to offer. He wanted to give back to a nation that had given him and his family so much opportunity. So, as a hospital corpsman, he was a Navy medic who treated those who were injured in combat.

His sister Aracely Ortega described him as an "awesome brother and an awesome friend." She also said, "He had a lot of respect for this Nation, and he paid the ultimate sacrifice, unfortunately."

For his brave service and sacrifice, Seaman Ortega was posthumously awarded the Purple Heart, the Combat Action Ribbon, the Afghanistan Campaign Medal, the NATO Non Article V Medal, and the Sea Service Deployment Ribbon.

He is survived by his parents—William and Marianela Ortega—and by his five sisters, and hundreds gathered, over the weekend in Miami, to pay respect and to pay tribute to this American fallen hero.

Our grateful Nation grieves with his family during this difficult time, and our grateful Nation will never forget William Ortega, a true American hero.

#### JOBS AND THE ECONOMY

(Ms. WATSON asked and was given permission to address the House for 1 minute.)

Ms. WATSON. Madam Speaker, Democrats in Congress will continue to take America in a new direction, creating good American jobs, lowering taxes for the middle class and small businesses, and building a strong new foundation for the economy and for Main Street.

We continue to see signs of economic recovery resulting from the economic policies of the Democratic Congress and the Obama administration responding to the Bush recession and the worst financial crisis since the Great Depression. More must be done to create and save jobs, but the latest signs of recovery include the HIRE Act, a bipartisan bill to create 300 jobs; American Workers, State, and Business Relief Act, tax incentives to spur business innovation and tax cuts; the Small Business and Infrastructure Jobs Tax Act extends aid to States to provide subsidies to employers, including small businesses; and the Home Star bill, which creates much-needed jobs in the manufacturing sector by providing tax rebates to homeowners who install energy-saving products.

Last week, the U.S. Department of Energy announced \$29 million in American Recovery and Reinvestment Act funding to develop and expand weatherization training centers across

the country. These projects will provide green job training for local workers in energy efficiency retrofitting and weatherization services.

Congress and the President have worked together to enact an array of broad-based tax cuts for working and middle-class families and small business owners—ending an era of Republican tax breaks focused only on the wealthy. These tax cuts are injecting consumer demand into the economy and spurring job creation.

All totaled, Congress has enacted more than \$800 billion in tax cuts, with another \$285 billion making their way through Congress, such as permanent estate tax relief and the R&D tax credit to spur business innovation.

#### REPUBLICAN RECORD OF FAILURE

Congressional Republicans threaten to take us back to the failed policies that created the economic crisis—siding with the special interests: Wall Street banks, credit card companies, Big Oil, and insurance companies.

These economic and fiscal policies created the Bush recession—the worst financial crisis since the Great Depression—with job losses of nearly 800,000 a month—and nearly doubled our national debt.

Republicans have voted against every major piece of economic legislation—from the Recovery Act to Wall Street reform—choosing the special interests over American workers, their families and small businesses.

Democrats in Congress will continue to take America in a New Direction, working to create American jobs and a strong new foundation for the economy, protecting Main Street and the middle class. We're getting results.

During the last 3 months of the Bush administration, we lost on average 726,000 jobs. In the last 3 months, we have created an average of 186,000 jobs. The current unemployment rate is 9.9 percent.

#### SPECIAL ORDERS

The SPEAKER pro tempore (Mrs. HALVORSON). Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

#### OUR POLICY IN AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MCGOVERN) is recognized for 5 minutes.

Mr. MCGOVERN. Madam Speaker, I rise to express my continuing and growing concern over our policy in Afghanistan.

As General Petraeus appears before the Senate and as we are being asked to consider tens of billions of dollars in supplemental funding for the war, I believe that now is the time for us to ask tough questions and to demand straight answers.

Of all the problems that President Obama inherited from the Bush administration, Afghanistan is the one that keeps getting more complicated. In just the past few weeks, two brave, young soldiers from my congressional district in Fall River, Massachusetts, lost their lives in Afghanistan. So this

is a big deal, and we need to get it right.

Last December, President Obama told the American people that we would begin to withdraw our forces next July. The American people deserve to know if that plan is still in place and how we are going to get there.

Much has been made about General Stanley McChrystal's comments in Rolling Stone magazine about the Nation's civilian leadership; but frankly, Madam Speaker, this is much bigger than a few ill-considered comments. Indeed, there are other parts of the article that I find to be much more disturbing.

For instance, General McChrystal, himself, referred to the biggest military operation of the year so far, the offensive in Marja, as a "bleeding ulcer."

General McChrystal's chief of operations said that Afghanistan "is not going to look like a win, smell like a win or taste like a win. This is going to end in an argument."

Before the Marja offensive began, General McChrystal personally went to President Karzai's palace to get his consent on the operation. According to the article, "Karzai's staff, however, insisted that the President was sleeping off a cold, and could not be disturbed. After several hours of haggling, McChrystal finally enlisted the aid of Afghanistan's defense minister, who persuaded Karzai's people to wake the President from his nap."

A senior adviser to General McChrystal said, "If Americans pulled back and started paying attention to this war, it would become even less popular."

A senior military official said this, "There's a possibility we could ask for another surge of U.S. forces next summer if we see success here."

So the administration has determined General McChrystal's exit strategy, but it is the exit strategy for the rest of our brave soldiers that I am more worried about it.

Madam Speaker, I voted in 2001 to go to war in Afghanistan—to hunt down al Qaeda and to eliminate their threat, and I would cast that same vote today in a heartbeat. Though, what we are doing in Afghanistan today is far beyond that original authorization. We are engaged in extensive, expensive nation-building in Afghanistan.

Frankly, given the level of unemployment and the severe economic situation we face in the United States, I would rather do a little more nation-building here at home. We have borrowed \$350 billion—added to the debt—for the war in Afghanistan.

My Republican friends have refused to support extending unemployment benefits for our out-of-work Americans because they say we can't afford it. We are told we can't afford to help States' avoiding laying off teachers. We are told we can't afford to improve our roads and bridges or to help more families afford a college education. We are

told we can't afford to prevent foreclosures or to improve child nutrition. Now we are being asked to borrow another \$33 billion for nation-building in Afghanistan.

We don't have the money to help American working families, but when it comes to supporting a corrupt and incompetent Karzai government, we are supposed to be a bottomless pit.

Not so fast, Madam Speaker.

Last week a bipartisan group of us sent a letter to the Speaker, urging that the House not consider the supplemental before some serious questions about our policy in Afghanistan are addressed. Even if we move forward this week, I hope that we are given an opportunity to have a thorough debate on this issue and to get a clean vote on whether or not we should continue our funding at current levels. This is life and death. This is about sending our troops into harm's way. This is about whether or not we can afford to continue this policy.

Madam Speaker, I urge my colleagues to think long and hard this week about this critical issue.

#### U.S. ARMY SPECIALIST MATTHEW CATLETT FROM TEXAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Madam Speaker, we honor a fallen American warrior today—a Texas soldier who gave his life serving this country, this country he loved.

U.S. Army Specialist Matthew Catlett was an infantryman with the 101st Airborne Screaming Eagles out of Fort Campbell, Kentucky—one of the most prestigious and decorated divisions in the entire United States Army.

The Screaming Eagle warriors landed in Normandy on D-day, and fought the Battle of the Bulge—the crucial turning points of World War II. The Screaming Eagles fought in the rice paddies of Vietnam. They've stood vigil in the deserts and towns of Iraq, and they're leading in Afghanistan the fight against the cowards in the desert—the Taliban.

I have been to Iraq and Afghanistan. Let me tell you something, Madam Speaker, that there is no better fighting machine in the world than the 101st. They were the first conventional unit to deploy in support of the American war on terrorism.

The 101st's "Easy Company" was portrayed in the series "Band of Brothers," and like those in the 101st who have so nobly held that line in their storied history, Matthew gave his life with four other fellow soldiers that day. It was the bloodiest day of the war so far this year.

Madam Speaker, this is a photograph of Matthew Catlett. He and his fellow soldiers were killed when their Humvee was hit by an improvised explosive device. That is called an IED. That is the

cowards' way, the Taliban's way, of fighting our troops.

Though, as Shakespeare said, "They shall be remembered—we few, we happy few, we band of brothers; for he today that sheds his blood with me shall be my brother."

□ 1650

Matthew Catlett, this young American hero, was only 23 years of age when he gave his life for this country. There is nothing as noble as the character of a man who so willingly dedicates his life for others. The American warriors serving our military understand that better than anybody. They embody what is meant to be an American, and Matthew Catlett was such a man.

He gave his life on June 7 on a battlefield in Afghanistan, fighting the terrorists who attacked America on September the 11th from that desolate, faraway land.

Matthew grew up in Cypress, Texas. He joined the United States Army right out of Cyprus Ridge High School, always knowing he wanted to be a military man, a soldier in the United States Army. He served a tour of duty in Iraq 3 years ago and had just been redeployed to Afghanistan in April of this year.

Our American warriors make great sacrifices in the heat and the dust and the deserts and the rough, rugged mountains of Afghanistan, where summer temperatures reach almost 120 degrees in the parched desert landscape. Our soldiers track down terrorists under the worst possible conditions, but no matter what hole these cowards try to hide in, our soldiers are able to hunt them down and to keep America safe.

We grieve the loss of this American warrior, but we celebrate and honor his life and his service. We are fortunate that a man like Matthew ever lived. Matthew stood for the best of those American ideals and values exemplified in our fighting infantrymen.

General Robert E. Lee once said, "Duty, then, is the sublimest word in our language. Do your duty in all things. You cannot do more; you should never wish to do less."

Matthew Catlett did his duty. He served this Nation as the fine soldier he always wanted to be. All of his fellow soldiers gave some, but Matthew Catlett gave all in defense of this Nation. He fought for liberty for a people he did not know in a land that he had never been. He was the American breed. He was a rare breed. So we honor our American warrior, and we honor the families left behind who grieve the loss of their loved one.

Specialist Matthew Catlett was buried with full military honors in Houston's Veterans Memorial Cemetery. His draped coffin was surrounded by flags carried by the old war horses of the Patriot Guard. Those are motorcycle riders, mainly Vietnam veterans, that surround fallen soldiers and their families during a time of grief.

So today I extend my prayers and condolences to Matthew's wife, Bryntee; his two young daughters, Ryann and Stephanie; his parents; his relatives; and his friends. Their American warrior is home, his duty is done, and he is at peace.

George Orwell said, "We sleep safely in our beds because rough men stand ready in the night to visit violence on those who would do us harm."

Our grateful Nation will always remember that Specialist Matthew Catlett stood always ready to do his duty for us.

And that's just the way it is.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### TRIBUTE TO MANUTE BOL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. PERRIELLO) is recognized for 5 minutes.

Mr. PERRIELLO. Madam Speaker, this morning I rose to honor the passing of Ruby Archie, a great hero to all of those in southern Virginia; an educator, a civic leader, and a tireless advocate for fairness. Tonight, I rise for the passing of another individual, Manute Bol, who was laid to rest at the National Cathedral earlier today.

Many know Mr. Bol as the tallest player ever to have played in the NBA. But to those of us who followed issues in Sudan and in Africa, he is a giant for other reasons. He is a giant for his humanitarian work. He is a giant for having stood up for justice and fairness, particularly in Africa's longest-running civil war against the southern Sudanese, where so many Christians and traditionalists have been suffering for so many years.

Too many in our country fight to become famous as an end in itself. Here was an individual of such tremendous character that he used fame as a means to help those less fortunate.

After growing up in Sudan and having a chance to remove himself to the United States, where he could have lived a comfortable life of riches, he chose instead to give everything he had, his money, his time, and his energy, to protect those suffering back in his homeland.

Manute Bol became a hero, not just on the basketball court, but he became a hero to many evangelical Christians, to people of all faiths, to lost boys back in Sudan, and to people all over the world for being a shining example of someone who chose to always stand for justice, a word engraved in the dais behind me, and understanding that as feared as he was as a shot-blocker, he was even more fearless in his own life in standing up. And not just doing the

easy work of writing a check, but always being willing to go back and spend time on the ground, often at great personal risk to his security and to his health, and was even willing to speak out against regimes that were not only enemies of the people of that country, but often of our own.

He was a hero to many of us who looked at the fact that many will look back through history and say, how did we allow 30,000 of God's children to die every day of hunger and preventable disease? Here was a man who not only made this town of Washington proud when he was with the then-Bullets, but all over the country inspired many to say, what can I give, what can I sacrifice, for those who are suffering or not having the blessings that we have?

And he did it all with a tremendous sense of humor. Mr. Bol spent his last few days in my district in Charlottesville, Virginia, at the University of Virginia, and we were honored to have him and so many of his loved ones in for the unfortunate and far too early passing of this great hero.

I hope today people will take a moment not only to say a prayer for him and his family and for all of those in Sudan who continue to suffer, but will take some inspiration from his legacy, of someone who came from very rough circumstances, got to the top of the world, and did nothing but look back to how he could help those less fortunate. He is an inspiration to all of those. He is a giant of a humanitarian. He has been a warrior for justice and fairness, and we honor him today.

#### AN NCO RECOGNIZES A FLAWED AFGHANISTAN STRATEGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Madam Speaker, I want to share with the House words from George Will. It was a syndicated column that he wrote on the 20th of June of this year. The title is "An NCO recognizes a flawed Afghanistan strategy."

In receipt of a recent email from a noncommissioned officer serving in Afghanistan, he explains why the rules of engagement for U.S. troops are too prohibitive for coalition forces to achieve sustained tactical success.

Receiving mortar fire during an overnight mission, his unit called for a 155 millimeter howitzer illumination round to be fired to reveal the enemy's location. The request was rejected, and I quote, Madam Speaker, "on the grounds that it may cause collateral damage." The NCO says that the only thing that comes down from an illumination round is a cannister, and the likelihood of it hitting someone or something was akin to that of being struck by lightning.

I further read from this article: "Returning from a mission, his unit took casualties from an improvised explo-

sive device that the unit knew had been placed no more than an hour earlier."

I quote again: "There were villagers laughing at the U.S. casualties" and "two suspicious individuals were seen fleeing the scene and entering a home." U.S. forces are no longer allowed to search homes without Afghan National Security Forces personnel present. But when his unit asked the Afghan police to search the house, the police refused on grounds that the people in the house "are good people."

Madam Speaker, Afghanistan is a chaotic situation. As my friend Mr. MCGOVERN said, they have a corrupt government. There is not anything we can do to take a country that has never been a nation to make it a nation.

Madam Speaker, I, along with Congressman JEFF MILLER and Congressman DOUG LAMBORN, have asked the chairman and ranking member of the Armed Services Committee to hold classified hearings on what is called rules of engagement.

□ 1700

I wish I could read this entire article, but I can't because of time. But I want to read the close of George Will's column. And George Will is a conservative. "President Obama has counted on his 2011 run-up to re-election being smoothed by three developments in 2010—the health care legislation becoming popular after enactment, job creation accelerating briskly, and Afghanistan conditions improving significantly."

I further read: "The first two are not happening. He can decisively influence only the third, and only by adhering to his timetable for disentangling U.S. forces from this misadventure."

Madam Speaker, I am on the letter that Mr. MCGOVERN made reference to a while ago. I have Camp Lejeune Marine Base in my district and Cherry Point Marine Air Station. And we're wearing out our military. Madam Speaker, I hope the President will keep his word and have a timetable to get our troops out of Afghanistan.

With that, Madam Speaker, in closing, I would like to ask God to please bless our men and women in uniform. I ask God please bless the families of our men and women in uniform. I ask God to please in his arms hold the families who have given a child dying for freedom in Afghanistan and Iraq. Madam Speaker, I ask God to bless the House and Senate, that we will do what is right in the eyes of God. And I ask God to give wisdom, strength, and courage to President Obama that he will do what is right in the eyes of God. And three times I will say please God, please God, please God, continue to bless America.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WEINER) is recognized for 5 minutes.

(Mr. WEINER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### ASKING THE RIGHT QUESTIONS FOR AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. QUIGLEY) is recognized for 5 minutes.

Mr. QUIGLEY. I rise today because when it comes to Afghanistan, we are asking the wrong questions. And with the wrong questions come the wrong answers. Back in December, we asked, Should we send more troops to Afghanistan? We should have been asking, Will a greater military presence make America safer? Then we asked, How can we get millions of pounds of supplies to our troops scattered in remote areas of Afghanistan? We should have been asking, Could getting those supplies to the troops be fueling the very insurgency we are fighting, and is having thousands of U.S. troops stationed throughout Afghanistan making America safer? And now we are asking, Can a new commander in Afghanistan ensure we win the war there? We should have been asking, Is this war winnable, and will it make America safer?

We have to start asking the right questions. The first of these questions is, Where are the terrorists? We have put our blinders on and are so focused on the details of Afghanistan that we are missing the larger picture. The terrorists that we are fighting are no longer only in Afghanistan. They are operating in the ungoverned spaces of Pakistan, Yemen, Somalia, Sub-Saharan Africa, and even right here in the United States.

The Christmas Day bomber was from Nigeria. The Times Square bomber was Pakistani American. An increasing number of terror attacks are being plotted right here on American soil. Major Nidal Hasan, who killed 13 people at Fort Hood, Texas, was born in Virginia. An increasing number of extremists from around the world are being connected and motivated by "the virtual Afghanistan" through the Internet.

We are fighting an enemy without borders, and so we must have a strategy without borders. In a world of limited resources, the next question we need to ask is this: How can we best spend our precious tax dollars to make Americans safest? Unfortunately, right now we are allocating most of our resources to Afghanistan, where at most, only 50 to 100 al Qaeda are operating, according to CIA Director Leon Panetta. And every day we read a new report that the billions we are investing are simply flowing to drug lords, corrupt local officials, and even the Taliban.

According to a recent eye-opening report by Subcommittee Chairman Tierney, we learned that the U.S. military is funding a multibillion-dollar protection racket. A good portion of a

\$2.16 billion transportation contract is being paid to corrupt public officials, war lords, and the Taliban to get needed supplies to our troops. We are funding the very insurgency we are fighting. And we recently learned that at least \$3.18 billion in cash has been transferred out of Afghanistan since 2007, mostly to line the pockets of the nation's elite. On top of that, it has also been reported that those same Afghan elite are being shielded from attempts to investigate these cases of corruption.

We simply cannot afford to continue to send billions to Afghanistan only to see it end up in the hands of corrupt officials and the same insurgents we are fighting. We have got to start fighting smarter, not harder, and that starts with asking the right questions. A reassessment of our strategy in Afghanistan is due in December, and one question must be answered: Is this the best way to fight terrorism and keep Americans safe? I fear that with each report of Afghan corruption and each account of terrorism taking root worldwide, the answer to that question is becoming increasingly clear: no.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. CAO) is recognized for 5 minutes.

(Mr. CAO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. McDERMOTT) is recognized for 5 minutes.

(Mr. McDERMOTT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

(Mr. MORAN of Kansas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

(Mr. DAVIS of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Virginia (Mr. FORBES) is recognized for 5 minutes.

(Mr. FORBES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFazio) is recognized for 5 minutes.

(Mr. DEFazio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. McHENRY) is recognized for 5 minutes.

(Mr. McHENRY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

(Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. FORTENBERRY) is recognized for 5 minutes.

(Mr. FORTENBERRY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### FINANCIAL REFORM BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 60 minutes as the designee of the majority leader.

Ms. KAPTUR. Madam Speaker, tonight I want to devote extra time to talking about the proposed financial reform bill and the conference committee report that is being worked on this moment that is likely to come before the House later this week. And I wanted to put the discussion tonight into a broader context in hopes that my colleagues will listen and consider the bill to be brought before us.

Let me begin with this statement: bankers hold a very privileged position in our society because in fact they hold the awesome power to create money. Their use of that power can advance our society, or their use of that power can harm us greatly. We are living through a period of great harm. And so we have to ask, When bankers are given power, how much power do we give them and what do we give them power to do?

As we are discussing this this evening, the Financial Services Committee is meeting to take out a proposal that had been a part of the bill that would tax the banks that have done so much harm to us as a society.

It is another example of too much power to too few, especially the few institutions that have hurt our entire Nation. So I rise tonight to offer comments on the so-called regulatory reform conference report, and I want to outline some principles that I hope Members and the American people will consider as this bill is debated later in the week.

One of the key principles that we should seek in trying to correct what is wrong is the type of power that we give to these institutions to create money. Will in fact the power to create money be more broadly distributed across our society, or will the bill concentrate power in the hands of those few banks that have too much power? Will in fact the power to create money and credit accumulation be redistributed to Main Street—to where all of us live—or remain closely held by about six Wall Street and Charlotte-based megabanks? And here are their names: CitiGroup, Goldman Sachs, HSBC, Wells Fargo, Bank of America, Morgan Stanley.

They have a whole lot more power than the people in my community in the financial realm. And why is that? Because chances are, if you talk to your relatives and neighbors, you will find that over half of the money that they are spending to pay for their mortgage or pay for their car loan doesn't go to a local financial institution in the town in which you live. It goes to a distant institution somewhere else that sucks money, sucks wealth, sucks power away from your community and places it somewhere else.

□ 1710

So this is a really threshold question. What does the bill do with the power to create money? It's shocking, but today, two-thirds of the financial assets of this country are held by those six institutions. Before the financial crisis of 2008, they only held a third of the power. Now they have two-thirds of the power. I say that's way too much. That's not a competitive financial system. That's what economists would call an oligopoly, very few having very much and taking it away from the rest of us. So this issue of banking power is critical, and Members, as they read this very long conference report, ought to say, To whom does this devolve power?

Another threshold question is whether the proposed bill will encourage prudent lending or will it allow greater moral hazard by the bill itself pretending to be reform but actually offering the easy money creation of a recent history led by the big banks. What do I mean by that? It used to be when America had a strong middle class, we had a financial system that allowed credit, the creation of money, to be broadly distributed across our country. Probably, to the people in the gallery and people listening on their televisions, you actually knew bankers in



your community that started banks, and you'd have several—dozens of banks locally and there was real credit competition. We've seen all that change as the banks became eaten up by bigger banks and bigger banks yet, and States lost money center banks, and power gravitated to Wall Street and Charlotte, North Carolina, banks.

But in the days when we had really competitive credit in this country, there was a law of our land that said to banks, When you get \$1 in deposit, you can't lend more than \$10. You can't blow money up more than 10 times because, you know what? That's imprudent, and you might make a mistake and, therefore, you have to have very careful underwriting and very careful servicing of those loans. That's all changed.

One of the reasons we're in this financial mess is the Wall Street institutions took a dollar and they blew it up into \$100 where there was no underlying value, there was no way that loan could perform. It would not rise in value if it was a home. Or if it were a commercial loan, it could never produce 100 times more than it was worth at the beginning. So this issue of prudent lending versus moral hazard is an important question in the bill that will be before us.

Thirdly, we have to ask about conflicts of interest in the bill between the credit rating agencies, like Moody's and Standard & Poor's and the banks that employ them to rate them. Will there be a tight fence line that's laid between them or will it simply be finessed? So this issue of "Is conflict of interest really addressed in the bill and shuts the door tight between the rating agencies and the banks, is it sufficient?" Members have to weigh whether it is or not.

Next I would like to turn to derivatives. This is where Wall Street really created money where there's no underlying value. And you can check this in your own community, because now a majority of mortgage loans in this country are actually—the home is not worth as much as the loan is valued at. They call that underwater. They sell overvalued real estate through the derivative instrument and through the way that the loan was leveraged through the bonding of the security. We're all paying the price for this now as home values start to go down, and this year, another 2.4 million Americans appear to be on the verge of losing their homes.

So the question becomes: What kind of margin calls will there be in the bill—capital margin requirements will there be in the bill on derivatives, and how will those derivatives be traded? Will all of them be on exchanges? Will they all be transparent and electronic? What will be exempted? And who will own the exchanges?

From what I hear, it is the same big banks. They're not going to put an exchange in Toledo, Ohio, the largest city that I represent. And this is a big con-

cern because, in fact, if what I've heard, that the capital margins in the bill are 15 to 1, that's a 150 percent increase over what we formally had as the prudent lending rules that existed in banks when we had a solid middle class and a banking system that was functioning for all the people. When it was \$1, you could get \$1 in your bank and you could loan \$10. Now we're seeing the capital margins on derivatives are 1 to 15. Very interesting.

#### REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. PERLMUTTER, from the Committee on Rules, submitted a privileged report (Rept. No. 111-516) on the resolution (H. Res. 1487) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes, which was referred to the House Calendar and ordered to be printed.

#### FINANCIAL REFORM BILL— Continued

The SPEAKER pro tempore. The gentlewoman from Ohio may resume.

Ms. KAPTUR. I would like to next turn to the issue of mortgages and the foreclosure rates around this country which are rising in areas such as I represent. Is this bill that is coming out of the Financial Services Committee, in granting all these powers across our financial system, going to do anything to help the American people who are being foreclosed in their homes? You know what the answer is? No. This year we will lose another 2.4 million families.

None of these so-called modification programs are really working, and yet we have a major bill coming to the floor that doesn't address that issue when the very institutions being granted power are the ones that did this to us in the first place. So we should be able to exact from them some type of resolution for the American people who are paying their salaries—literally—by the taxpayer bailout, and yet we're not dealing with the mortgage foreclosure issue.

And why aren't we? Because if you look at who is holding the mortgage today and who is servicing the mortgage, guess what? There's a conflict of interest because over half of the mortgages have second mortgages, and the servicing companies owned by the banks are the same institutions that have a relationship with the banks that hold the second mortgage on the home. So, for example, if J.P. Morgan is servicing your loan but JPMorgan also owns the second mortgage, they have no interest in servicing your loan. And that's going on with all the institutions that I listed earlier. So the bill is silent on the issue of mortgage resolutions, and that is a great tragedy.

Does the bill do anything to even reference those agencies dedicated to fighting the fraud that has crippled our financial system or is the bill silent? The bill is silent. Even though we know we need additional agents at the Department of Justice—and yes, this bill is coming out of the Financial Services Committee—the bill doesn't even have a finding that references the importance of adding financial fraud agents at the Department of Justice, at the SEC, at the FDIC, to go after the wrongdoers because these fraudulent systems were set up at the very highest levels of finance in this country, but the bill remains silent on that.

I mentioned capital margins a little bit earlier. This is really an important issue to get at the question of prudent lending and how much power we grant these institutions and the instruments they create to create money and to check it against the value of the underlying asset. The bill is quite weak on that.

Finally, I would present to my colleagues the question: Does the bill create a truly independent systemic risk council or does it merely politicize risk evaluation through the U.S. Department of Treasury, which has caused such confusion in the markets? Credit has seized up across this country, and Treasury seems to play favorites—always with a bent toward the biggest banks on Wall Street and in Charlotte. So these are threshold questions that the Members have to ask.

Now, one might wonder why I hold these concerns about the financial regulatory reform bill. And the reasons start with the fact that unless we understand how excess has been rewarded and moral hazard has been encouraged inside the financial system, it will happen again, unless we really get at what's wrong and how we've gotten ourselves into this position.

□ 1720

And one of the ways to really understand that is to add up the true cost of the financial crisis we are all living through at this point. A true counting of the cost of the big bank financial crisis to the American people is needed because, unless we understand that, we are on the verge of creating what is called a financial regulatory reform which should aim to prevent similar crises from happening. But we still don't yet have a full accounting of the crisis of 2008 and its causes, and that should really stand as a background to what we do from this point forward.

Almost 2 years ago, I fought against the Wall Street bailout that was called the TARP. I did not vote for it the first time, and I did not vote it for the second time. It gave Wall Street 100 cents on the dollar, when people in my district were being thrown out of their homes, and they were getting zero on the dollar. What's fair about that?

And it wasn't just people in my district. Twenty million Americans, American families—this is not a small

number—are being directly affected, and the real estate values of every single American are being affected by this crisis.

Now, what's coming out of Washington is the orthodox tale being spun by Wall Street's PR firms, that the mega banks are paying us back. Why, they're paying us \$700 billion, which is some of the money that they were given in the fall of 2008, and so the cost to the American taxpayer will be paid back.

Is that really true?

The big banks have narrowed the focus of what is owed back to the American people to what is called the TARP, the Troubled Assets Relief Program, and they're not really talking about the big picture, the economic cost of what they have caused to us, as a society, the real cost of the crisis, the real losses thrust on the American people that go far beyond what is called TARP.

Yes, the American taxpayers need to be paid back for all the damage the Wall Street bankers have caused. But they're taking away the tax in the committee right now, as we're standing here on the floor, to get them to give some of what they are earning back to the American people. That's how much power they have.

We get a true picture of the real cost to the American people as we see millions and millions more of our citizens disorged out of their homes, while Wall Street's coffers fill up, and they're making greater profits every year. Their bonuses get bigger every year. When Americans are getting pink slips and small businesses can't pay health insurance, there's nothing fair about this playing field.

So tonight I want to shine a light in the very dark corner of where the true cost of the bailout sits. So come and look behind the curtain with me where the wizard is really hiding.

Secretary Geithner, and even Elizabeth Warren, say the banks are paying us back. But all they are paying back is the TARP money, and they're not even paying all of that back. Even if they paid back all \$700 billion, that could not possibly be enough. In fact, there are 12 Treasury programs to bolster Wall Street banks that have cost taxpayers \$727 billion. About half of that is what is being paid back by TARP.

Plus, there are 24 additional programs at the Federal Reserve that assist private banks, and those costs—are you sitting down—\$1.738 trillion dollars. So the total of these federally orchestrated bailouts is \$2.4 trillion, not \$700 billion; \$2.4 trillion and rising. The number is staggering. It's huge.

Wall Street has no intention of paying back \$2.4 trillion to the American people, and no one is holding them accountable, not this Congress, and not the administration.

Now, what has Wall Street done for Main Street? Nothing. All they're doing right now is consolidating their

power, as the bill that comes to us later in the week will do.

Meanwhile, Wall Street big banks are recording record profits and record bonuses last year on the backs of the American people who are struggling without jobs and fighting to keep their homes.

Now, the \$2.4 trillion immediate cost of Wall Street's excesses is expected to rise, and here is why. Treasury has promised unending support, regardless of the dollar amount, for the next 3 years, to two mortgage companies that they took over. They are called Fannie Mae and Freddie Mac. They're housing organizations. And the taxpayers are being asked to fill the holes in each institution as both companies continue their death spiral losses.

Already, our taxpayers have been billed \$61 billion on Freddie Mac, and our taxpayers have been billed \$83 billion on Fannie Mae. That's a total, just there, of an additional \$144 billion.

The spiraling bills and costs to our people go far beyond Fannie Mae and Freddie Mac. At the heart of the financial crisis is the housing crisis. So one must add in the losses of the Federal Housing Administration, the Veterans Housing Administration, the U.S. Department of Agriculture's housing programs. They are all being tapped to pick up the mistakes of the big banks.

One also has to add the cost to our economy of the decline in the value of your homes and the homes of our neighbors and friends across this country. It affects every single one of our citizens.

And add to that the total cost of all of the unemployment, the loss in earnings that people have suffered, as well as losses that people have suffered in their IRAs and their pension funds. All these losses have resulted from Wall Street's mad money game.

Just Ohio's public pension fund losses alone took a \$480 million hit with the failure of just Lehman Brothers alone. That hole, of all of these accumulated losses that sits at Wall Street's feet, is what it has cost our society.

Now, there's one organization, the Pew Financial Reform Project, that did a report called "The Cost of the Financial Crisis." And it provides some very interesting information. According to Pew, our economy plunged, and I quote, with gross domestic product falling by 5.4 percent and 6.4 percent in the last quarter of 2008 and the first quarter of 2009, the worst 6 months for economic growth since 1958.

And Pew, in their report, created some really great charts that I'm going to discuss this evening. One, that is called "the impact of the crisis on our economy," which means our economy would have grown like this, but, in fact, our economy fell like this. That gap represents huge loss, loss in jobs, loss in wages, loss in wealth.

The Pew brief states, additional negative shock to our economy from the crisis knocked off another 5.5 million jobs, leaving employment at the end of

2009 with 9.5 million jobs lower than the potential of our economy, the anticipated employment, versus what actually happened. And we all know Americans who've lost their jobs. They are actually subsidizing Wall Street with their job loss, with the loss of value in their home. The largest shift of wealth, actually, in American history is going on from Main Street to Wall Street, and Charlotte, and to those six big banks.

□ 1730

These next two charts show the impact of the crisis on household wealth and the impact of the crisis on wages. Both have been damaged severely, and the American people know it. In the district that I represent, our people have suffered this wealth shrinkage. We live it every day. The Pew report states: "American families"—imagine this—"lost \$360 billion in wages and salaries as a result of the weak economy." And the Pew study shows the anticipated wages versus the actual wages.

In addition, the bottom chart shows that the value of families' real estate, which I referenced a little bit earlier, declined sharply over the crisis as well, with a loss of \$5.9 trillion. That was from mid-2007 to March 2009. And a loss of \$3.4 trillion from mid-2008 to March 2009. We have all felt this. We all know this is happening.

Moreover, half the mortgages in our country are now controlled by the big banks. More and more families are sending their mortgage payments directed to Wall Street institutions or to the two institutions located in Charlotte, further moving capital from our local community. Where you would normally pay your mortgage to your local bank or your local credit union, over half those mortgages are flowing off somewhere else, as well now as your car loans. This raids local communities of real money.

The Pew report goes on to say that these wealth losses correspond to more than \$52,900 of loss per household, or \$30,300 per household for the shorter period. In addition, the value of families' equity holdings fell by \$10.9 trillion from the middle of 2007 to the end of March 2009, at a loss of \$97,000 per household. That is real money. That is the loss of your retirement dollars; that's a loss of your real estate. For many families it's the loss of the home itself, lost wages.

Now we are getting a real sense of what Wall Street's false money creation has cost our country. And the question really for Congress is how much do we want to reward the system that yielded us this. Main Street still keeps losing wealth while Wall Street keeps collecting more chips. In fact, we are experiencing the largest transfer of wealth in our country in modern history.

Now, the last chart that I have here talks about the cumulative impact on household wealth from the foreclosure

crisis precipitated by the big banks. With the reduction in our gross domestic product, Americans obviously have lost jobs, wages, and wealth. And as they do that, they cannot hold onto their homes. And we look at some of the projections. This is when the crisis started. You see that Americans were having trouble with foreclosures already, but then it just went down; and it continues to go down here.

We have experienced this steady decline across our country, some areas being hit harder than others. But nobody on Wall Street or in Charlotte banks really seems to care, because modifications, loan modifications aren't being done. And they aren't being done for the reason that I stated earlier, that most of these same big banks, J.P. Morgan, Citigroup, Goldman Sachs, HSBC, Wells Fargo, Bank of America, they hold a lot of the second mortgages on the loans, and they're not willing to work with the servicer to do a principal write-down. That would be the way we would normally resolve a loan on the books in past decades. But that isn't the system that we have today when Wall Street holds the power.

So it's a bleak picture right now for Main Street. And to gain a true picture of the cost of the financial crisis, much more needs to be added to the ledger, not just this little simple discussion they have here saying it's just paying back the Troubled Asset Relief Program, the TARP money. The ledger is much longer than that. And the banks have to pay back more to the American people because TARP doesn't even make a dent in what is actually owed.

One of the most disgusting practices of Wall Street involves their abusive salaries and the bonuses that just keep getting bigger. In 2000, the Standard and Poor's 500 average pay for a CEO on Wall Street was \$13 million every year, \$13 million. By 2007, that had gone up to \$54 million, over \$20 million more. And the average worker in our country at minimum wage makes about \$11,000 a year minimum wage. The average worker makes about \$26,000. And that's as of 2000. And then as of 2007, the minimum-wage worker in our country makes about \$12,000 a year, and the average worker makes about \$31,000. The pay scales are just so out of whack.

CEOs actually made over a thousand times more than someone working minimum wage. So the average wage of a worker in our country is \$32,000; the average wage of the CEOs is about \$9.2 million. We are not even talking in the same league. And I really say to myself if you make the kind of big mistakes that they made, are they really worth that amount of money?

I think that the prudent managers at credit unions in the communities that I represent, our local community bankers, they manage the money much, much better. And that's where we should be placing the power, back in their hands. This bill will not do that.

I really do have a question: Are these big institutions really capable of caring about the American people and about the American Republic? Because they certainly seem hell bent on destroying it. The big banks remain too big; and the crisis enabled them, sadly, to get even bigger and more interconnected. Too big to fail is too big to exist.

I mentioned earlier that the banks before the crisis controlled one-third of the assets in our country. Now they control two-thirds. That means power is moving away from you to someplace far away from you. The concentration of wealth on Wall Street has sucked the lifeblood out of the rest of our economy. Mid-sized and small banks and credit unions are fighting for their lives right now. In fact, 86 more banks have failed this year alone.

Banks are doing more than just banking, the Wall Street ones for sure. They are speculating. This used to not be allowed in our country under an act called the Glass-Steagall Act, which prohibited commercial banks from doing investment, and it prohibited investment firms from taking regular bank deposits. It kept gambling and speculating separate from sound prudent commercial banking. That was until the late 1990s.

In 1999, a bill called the Gramm-Leach-Bliley bill repealed that act and created a new kind of holding company they called a financial holding company. I have introduced legislation, H.R. 4773, the Return to Prudent Lending and Banking Act, which would take the Glass-Steagall separations and carry them beyond the Federal Reserve system to all federally insured depository institutions, including national banks; and require that they separate commercial banking and investment arms, as well as repealing the financial holding company's language from the Gramm-Leach-Bliley act.

The bill before us later this week will not do that. It allows them to conduct this integrated activity under this holding company structure. But separation is what's needed; it is not what will end up being voted on on this floor.

Equally, something called the Volcker rule was watered down in the conference committee. This proposal by American economist and former Federal Reserve Chairman Paul Volcker would have restricted banks from making certain kinds of speculative investments if they are not on behalf of their customers. Volcker has argued that such speculative activity played a key role in the financial crisis of 2007 to 2010, and he is absolutely right. But the conference report that will come before us allows them to keep their hedge funds and their private equity arms up and running. And they can still do some proprietary trading. Do we really want them to do that? Haven't we gone through enough?

Right now Wall Street is choking the life out of our local credit system and

the communities they serve. And let me just give you one example of why it's so difficult for local banks. When the big banks, I call them the big six, made all these mistakes, inside the banking system local institutions, be they banks or credit unions, pay into insurance funds. Well, even if they didn't do anything wrong, they are part of the banking system; and their fees went up. They had to pay more into these insurance funds.

And so some institutions that were paying \$20,000 a year for insurance found their rates going up from \$20,000 to \$40,000 to \$70,000 to \$140,000, and this year \$700,000, both credit unions and banks in the community that I represent, to shore up the national insurance fund because of the losses of the big banks.

□ 1740

What's fair about that?

In my hometown of Toledo, Ohio, this week there was a report that talks about one of our community development credit unions being hurt, and they're being hurt all across our country because these fees are being placed on them even when they didn't do anything wrong. They simply can't earn enough to afford to pay these higher fees. Who's going to win in that game? The very six big institutions that have been rewarded again, and those at the local level trying so hard to hang on are being hurt. The little guys cannot expand, and they can't hire or lend more since revenue has to go to insuring their deposits, and they have to send that here to Washington and they can't lend it out. That's why credit has seized up across our country.

A local bakery said to me the other day, MARCY, I want to add three employees. I want to get a loan locally so that I can add some equipment. I can't get a loan. I said I know exactly why and I know right where the money is, but I can't get to it because it's up on Wall Street and, frankly, I don't want Wall Street making loans to our local banks. I want local banks to make loans to local businesses.

Oh, and by the way, when credit at these small banks and credit unions is seized up and they get in trouble, what's been going on is the big banks have been coming in and buying them up. When they can't make it anymore, they just buy up their deposit bases. So, in coming to work, going out to the airport this week to come back to Washington, I saw a sign go down, National City Bank in Ohio. The sign came down. Another sign went up called PNC out of Pittsburgh, and we are now owned by some institution far, far away from us.

According to the L.A. Times on June 26, 2010, it stated that the proposed reform bill won't help protect small banks nor keep competition alive in our banking system. A return to prudent banking would address this concern. Reinstating and strengthening Glass-Steagall would move our financial system to a more competitive

mode. The bill that's proposed, from everything I know about it, will not do that.

I wanted to reference a report from Bloomberg Businessweek that has two sentences at the beginning of the article that are important, and I quote: "Legislation to overhaul financial regulation will help curb risk-taking and boost capital requirements. What it won't do is fundamentally reshape Wall Street's biggest banks or prevent another crisis." Well, if it can't do that, why would I want to vote for it?

So I want to ask my colleagues this: Does the proposed bill make the necessary changes to prevent the financial crisis of 2008? If it can't, why vote for it? Too many experts don't think it can. Look at your own communities and ask: For whom is our financial system working? When you pay your mortgage or your car loan, where do you send your money? If it isn't to your own community, is it to some distant player somewhere? Do they really care about you? If you're a small business and you're trying to expand your business—and that's the only place in our society creating any jobs right now—why should they get their loan from far away? Why shouldn't it come from an institution close to them?

This morning on the Marketplace Morning Report produced by American Public Media, Bill Radke was interviewing Henry Blodget, editor-in-chief of the Business Insider, on the subject of the financial regulatory reform bill. Mr. Radke stated, "You are one of those observers who believes that even with these new rules, we are at risk of another global crisis. What might that crisis look like?"

And Mr. Blodget responded, "I think the reason that people are saying that is that if you took this legislation and you enacted it in 2005, it would not have prevented the crisis we just had."

Well, if it can't prevent the crisis we just had, what are we doing? What are we about here? So Blodget said, if we enacted the bill that we are going to vote on in 2005, it would not have prevented the crisis we faced in 2008. This certainly can't be real financial regulatory reform. The bill doesn't appear to encourage prudent credit accumulation. It does not allow for that power to be devolved to Main Street.

The bill allows financial power to create wealth, the bankers' awesome power, to be closely held in a few Wall Street and Charlotte-based megabanks. The bill does not address the business model of credit rating agencies or how interwoven these nongovernmental agencies are with the institutions they rate.

The bill does not require that all derivatives be traded through transparent exchanges. The bill does not adequately support both agencies dedicated to finding and fighting fraud in our financial system, and it really doesn't do anything to address the continuing mortgage foreclosure hemorrhage, the crisis going on across our

country. So, if it doesn't do that, why are we just nipping at the edges?

Sadly, the so-called bill seems all too often, in the end, to support the very same big banks and not the American people and the communities in which we live, in the Main Street that all of us are sworn to represent.

The New York Times ran an editorial last week on derivatives, and I really want to reference it because it stated the following: "This is arguably the most important issue for the big banks because real reform will crimp their huge profits from derivative dealmaking."

That's where they take a dollar and turn it into \$35 or a dollar and turn it into \$100. That's gambling, actually. It's not banking; it's gambling.

"It is also arguably the most important issue for the public. The largely unregulated, multitrillion-dollar market in derivatives fed the bubble, intensified the bust, and led to the bailout. Unreformed, it will do so again."

The New York Times article says, "The final bill must ensure that derivatives are traded on transparent exchanges and processed through third-party clearinghouses to guarantee payment in case of default. That would end the opacity that masks the size and risk of derivative deals, like those that caused the bailout of American International Group," AIG. "But to be effective the new rules must be broadly applied."

Another Wall Street expert told a small group of Members of Congress that all derivatives should be openly marketed with transparency on exchanges, and if an institution creates an instrument that is too complex to go through such an open and transparent process, that institution should be subject to higher, in fact, extremely high, capital standards. The bill really doesn't do that.

The amendment offered by Senator BLANCHE LINCOLN in the other body would have forbidden any banks receiving Federal support, such as deposit insurance, from engaging in the trading of swaps. If the amendment had not been weakened, it could have resulted in banks having to spin off their swap businesses, but it seems like it's business as usual in Washington. The amendment was weakened and too many exceptions exist.

Goldman Sachs, Morgan Stanley, Bank of America, Wells Fargo, Citigroup, and their U.S. colleagues can continue to trade derivatives that are used to specifically hedge the risk that they are undertaking, as well as still being able to trade interest rates and foreign exchange swaps.

For other types of nonstandard instruments, like some credit default swaps, the banks have 2 years to move that business to a subsidiary which is capitalized separately, and some people say there's even language in the bill that would allow them up to 15 years to try to meet some sort of standard. Well, you can't really call that reform.

□ 1750

Bloomberg Businessweek reported last Friday, "U.S. commercial banks held derivatives—" get this "—with the notional value of \$216.5 trillion in the first quarter, of which 92 percent were interest rate or foreign exchange derivatives, according to the Office of the Comptroller of the Currency."

It is not a small amount of money, and very few institutions hold the power to trade them. There are five U.S. banks with the biggest holdings of derivatives, and you probably already know the answer. JPMorgan Chase, Goldman Sachs, Bank of America, Citigroup, and Wells Fargo hold \$209 trillion, or 97 percent of the total, the Office of the Comptroller of the Currency said.

You know, when you keep running into the same rhinos, you ought to start recognizing them out there. What is interesting is these very same companies are not doing mortgage modifications through their servicers across our country. So what is allowed in the bill accounts for 92 percent of the held derivatives, and our five biggest mega banks control nearly all of that 92 percent.

So who is this bill helping? Not only are the numbers staggering, but if this is as true as I think it is, did the bill really do anything about derivatives?

With essentially, if not every, commercial end user exempted, did we really do anything to restructure the financial system to avoid letting derivatives create such exposure for an institution that is too big to fail in that we, the government, representing the people of the United States—and you, the American taxpayer—must pay hundreds of billions of dollars to prevent its demise?

So I say to my colleagues: Read the bill. Perhaps read my comments. In the end, ask yourselves the question I began with:

Which bankers do you believe should hold the awesome power to create money? Which bankers have been prudent in their practices? As this bill is debated, do we increase their power or do we decrease their power?

If all we do is abdicate more power to JPMorgan, Citigroup, Goldman Sachs, HSBC, Wells Fargo, Bank of America, and Morgan Stanley, have we really served the American people?

Madam Speaker, I yield back the balance of my time.

#### THE BUDGET, OUR DEBT AND THE DEFICIT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentlewoman from Wyoming (Mrs. LUMMIS) is recognized for 60 minutes as the designee of the minority leader.

Mrs. LUMMIS. Thank you, Madam Speaker.

I also would like to thank and congratulate the previous speaker for her

outstanding summary of some of the issues that will be facing this House later this week. It is, as she said, a bill that will enhance big banking at the expense of small community banking. Her hard work on this issue is appreciated on both sides of the aisle. Thank you very much to the gentlelady for that excellent summary of the bill. There are so many issues about which, if we could work together on a bipartisan basis, I feel we could come up with better legislation.

What I intend to talk about this evening is an area about which we have not had much bipartisan dialogue. That is, of course, over the budget, our debt and the deficit.

It is official now. We will not have a budget this year. This will be the first time since the Budget Act of 1974 was passed, creating the system we have for budgeting and for making expenditures now, that we will not have had a budget. It is the very first time since 1974. Every year, the House has passed a budget. I believe, almost every year, the Senate has passed a budget. There were years when they haven't agreed, but every year, the House met its obligation and passed a budget.

You know, the current chairman of the House Budget Committee, who, of course, is a member of the majority party, has said, if you can't budget, you can't govern. I couldn't agree more. If you can't budget, you can't govern. We are not going to budget this year. We, therefore, are not going to be governing this year in a manner that the American people expect and deserve, so it is a source of tremendous disappointment for me.

We were also told and learned last week that we will see none of the major appropriations bills before the November election. That is an indication to me that the majority party recognizes that it has overspent for 18 months, that the American people are tired of the overspending, that they are zeroed in on the debt and the deficit, and that they are not going to take it anymore.

There are ideas that the Republican Party has had to reduce the debt and the deficit in order to bring down the size and scope of the Federal Government and to divorce ourselves from the current strategy of big government, big unions, big business. Among the big businesses are those that the gentlelady from the majority party, from Ohio, just talked about in the last half an hour. Always supporting bigger government, bigger business, bigger unions takes away from our communities, which is where the creativity is, which is where the desire to create jobs and families and businesses and households and churches and charitable institutions really grows and thrives. It deletes those kinds of opportunities around our country. It discourages those kinds of opportunities around our country.

Our country is truly at a crossroads now.

We have seen very different reactions on the part of the people in, say, Greece, which is experiencing enormous financial problems—huge debts and deficits. The people there who are demonstrating, rioting and who are out on the streets are those who receive the benefits of the Government of Greece. They are those who are living off the very, very small private sector, which is trying to fund this behemoth of a government with all kinds of social services and entitlement programs that they can't afford because the programs and services are unsustainable, which is sending—plummeting—their country into the kinds of debts and deficits that have gotten them into such deep financial trouble.

All of the world is horribly concerned.

Take that image and compare it to the image of the United States in the last 18 months. You had the so-called Tea Partiers who were out on April 15. They were protesting big spending, protesting big government and protesting later in the year this enormous health care bill that Congress passed over their objections. These are the kinds of people who are up in arms in America and who are out demonstrating and protesting. They are the taxpayers. They are the people who want less government—smaller government—and more efficient government. They are the people who want business to be more accountable and who want government to be more transparent. These are the people who are protesting in the United States, and these are the people who we should be listening to.

In fact, I want to congratulate one Governor who was listening, who has listened and who did a miraculous thing in the last few months. He is the new Governor of the State of New Jersey, Governor Christie.

Governor Christie took over from a big-spending administration. He inherited a big-spending legislature in New Jersey. Yet he ran on an agenda that resonated with the people of New Jersey. He ran on an agenda to cut the debt in the State of New Jersey, and he has done so. He brought forward budgets that cut the government.

The majority in the legislature there said, Oh, my gosh. We can't do that.

So he said, Here is my budget. I am going to make these cuts, and I am going to make these cuts unless you submit to me a budget that is balanced.

Last night, very, very late—in the wee hours of the morning—that very legislature passed Governor Christie's budget. The State of New Jersey, in the signing of that budget by Governor Christie, has become among the most fiscally responsible States in the United States.

It is a miraculous story. It is a story of the American people—in their case, the people of New Jersey—winning out over big government, special interests, entitlement programs we can't afford, and giving new life to small business, individual initiative, freedom.

□ 1800

It is a great example of what this Congress can do come November.

I am going to put up a couple of charts that I want you to see.

This first one is about the changing priorities of this country with regard to spending over time, starting in the 1970s and moving into our current decade.

As you can see, during the late 1960s and early 1970s, the major portion of our budget, almost 50 percent of our Federal budget, was spent on defense. Obviously, this was at the height of and then followed by the waning of the war in Vietnam. This is when the draft was no longer in effect. Ever since then, defense spending has consumed a smaller and smaller part of our Federal budget. It is the brown line. So it is up a little bit with the war on terror, but compared to our other spending, it is still very, very steady, and within the realm it has been over the last 20 years.

Now let's look at Medicare and Medicaid. This is the red line. This is the line that started out as a very small 5 percent component of our budget in the 1970s and has been steadily climbing, and is climbing still to the point where Medicare and Medicaid are going to choke out all other spending if we project it forward.

The two in the middle, Social Security, which has been tremendously flat and pretty steady, actually is going to be funded until the 2030s. But when we hit the 2030s, we are going to see a 25 percent reduction in the benefits paid to those who have paid into Social Security, another problem this Congress needs to address on a bipartisan basis. Then the other, of course, is non-defense discretionary, which over time has followed a wave in between.

So the big changes are the decline in defense spending as a portion of the Federal budget and the massive replacement of this spending in Medicare and Medicaid.

Now, one could say that is a good thing, and indeed it is, that we are not having to spend as big a portion of our Federal budget on defense. But the scary part is that the growth in entitlement programs, Medicare and Medicaid, is going to be unabated and is going to crowd out other investments in our country, because we are going to have to, in addition to all the other things we do, debt finance these programs.

When we debt finance and are paying interest out of every year's budget for interest on the debt, we are crowding out other investments, and by crowding out other investments in our economy, we are marching down the road towards Greece, towards Italy, towards Spain, towards the kind of problems the U.K. has been having, but is changing course on and is going to address, and we wish them the best in those efforts.

Now, where did the money go? These are components of the 2009 deficit

growth in billions. Here is the Federal budget deficit, the places where the Federal deficit tripled in one fiscal year as tax revenues fell and Congress pumped out large sums to stabilize financial institutions and stimulate the economy, creating a tripling in the Federal deficit in one fiscal year. Furthermore, the policies we have enacted will double the debt in five years and triple the debt in 10 years. So the situation that we put ourselves in in the last 18 months creates dire circumstances.

So the components of the 2009 deficit growth occurred due to lower tax receipts, and that is part of our recession, and stimulus, half in spending and half in lower taxes. The Republicans, quite frankly, had a stimulus package that would have created twice as many jobs with half the size of a stimulus, and doing it by infrastructure spending through private sector investment.

The next item, bailouts for financial institutions and the auto industry, bailouts for Fannie Mae and Freddie Mac. Unfortunately, we are not addressing the structural problems with Fannie Mae and Freddie Mac in the financial reform bill, in the conference committee, which has concluded its efforts. Then we have unemployment benefits due to the recession which have been running steadily until recently. Then the remainder is a collection of aggregation of other spending. So that explains how our Federal budget has trended the way it has.

This was before we passed ObamaCare. This budget was passed before the health care reform bill, which adds a huge other component to the debt and the deficit. We know that that bill, if you take the years 2010 to 2020, is going to cost over \$1 trillion, half of which is going to come out of cuts in Medicare and the other half out of tax increases. But we are only paying out, as you will recall, six or seven years of benefits for 10 years of taxes and Medicare cuts.

When you combine the first 10 years, where we are actually collecting taxes, cutting spending on Medicare, and combine that 10 years with 10 years of benefits, we are talking about a deficit of \$2.4 trillion, and that would be what it would be going forward.

In other words, we created a program that we knew had a long-term structural deficit that was enormous and did it knowingly, leaving for future generations the tough decisions about how to pay for it.

Creating an entitlement that you know you can't pay for and that creates structural deficits for our children kicks the can down the road to a generation that deserves to inherit a better country. No wonder when you poll the American people, they will say that we inherited a better America from our parents, but our children will not be inheriting as high a standard of living from us as we inherited from our parents. That is unconscionable.

I have been joined this evening by the gentleman from Pennsylvania, who has made his career in health care and may wish to comment further on that or anything else. I am so pleased you have chosen to join me this evening, and I yield the time to you.

Mr. THOMPSON of Pennsylvania. I thank the gentlelady from Wyoming for hosting this very important hour on this very important need.

The number one issue right now, as you have very appropriately pointed out, is the growing and massive Federal debt. Independents in this country overwhelmingly identify the debt as being the biggest threat to the future well-being of this country.

As I travel around, and the fact that the Democratic majority has not even introduced a budget, the first time since 1976, I raise the question: America is really at a critical crossroads in history. We have a choice. We have a choice to continue the path of taxing, and spending, and borrowing, and the lack of transparency that will result in a choice between that and accountable government. So America really has a choice between becoming Greece or New Jersey.

□ 1810

And Greece, we have all witnessed the fiscal meltdown and chaos that resulted in that country as a result of the massive social spending and out-of-control government. And we've all seen most recently in the Garden State, with the election of accountable and transparent and fiscally responsible leadership, where that State has really started to put its house in order. So this is a little hard for someone who is a lifetime Keystone Stater to say I would choose New Jersey when it came between those two.

We have confirmed that the Federal budget plan for fiscal year 2011 really has been canceled. The cause? Washington Democrats' out-of-control spending spree. This is really a betrayal of hardworking American taxpayers. The House of Representatives has passed a budget every year since the Congressional Budget Act took effect in fiscal year 1976. To be completely accurate, there have been times under Democrats and Republicans when a finished budget was not passed by both Houses, but this is the first time that the House of Representatives has simply decided there's too much peril for the American public to see the numbers that they are pursuing. So they're going to stop the game before the coin is even tossed. We have more than \$13 trillion in debt and a Presidential budget that puts the deficit at \$1.6 trillion and spends \$3.8 trillion. Even the Fed chairman, Ben Bernanke, said this debt is "unsustainable."

Now, faced with similar challenges in our personal budget—and that's something we families do around this country each and every day—there would be a talk around the kitchen table and the children's allowances would be cut,

along with many other luxuries. It is that discussion that the majority party in this Chamber really seems only willing to have under the theory that if they ignore it, it'll go away, or frankly, if they ignore it, maybe the American people won't notice the massive amount of debt that has been accrued over these past 18 months. Unfortunately, the debt will not go away. It is a legacy of debt for our children and grandchildren. And the pain will be transferred to those future generations in the hopes that, frankly, they'll have the guts to face reality. So I thank the gentlelady for hosting this hour on a very, very important topic.

Mrs. LUMMIS. I thank the gentleman for joining me. As some of you are aware, AmericaSpeakingOut.com is a Web site where all Americans can go to weigh in about their views on the American debt, deficit, and about ideas to reduce the size and scope of government, and right-size it, make it more efficient, and anything else you have in mind about shaping the activities of this Congress. We very much want to hear from you. AmericaSpeakingOut.com gives you a chance to share your ideas with Members of Congress. And we very much commend it to your attention.

I have a bill that I'd like to discuss that I'd like you to put in a plug for on AmericaSpeakingOut.com, and that is a bill called the Federal Workforce Reduction Act. It is a bill that I'm sponsoring and that I've used this information to help explain.

This year in Congress, when you add up all the spending we've done in the last 18 months, the great growth sector in terms of employment has been government. In fact, when we passed the stimulus bill—and we were told that if we pass the stimulus bill it will keep unemployment under 8 percent, and employment since this has been hovering at around 9.7 percent and as high as 10, 10.1 percent. During that time, 9 million private sector jobs were lost. The entrepreneurial economy lost jobs, and yet the only sector that grew was government.

Government employment has increased by 15 percent during the time when 9 million jobs were lost in the private sector. And this shows you what is happening to Federal Government employment. It actually was pretty high back in 1993, but over the decade of the nineties it declined. Then it experienced right after the 9/11 bump in employment associated with homeland security, it experienced tremendous stability in 2003, 2004, 2005, 2006, 2007.

And then you get to 2008 and 2009 and then 2010, where it goes off the charts. It shows that Federal Government employment has absolutely skyrocketed. And further, Federal Government employment has grown in terms of the salaries that are paid. They far exceed average salaries in the private sector. Even here at the U.S. Department of Education in Washington, the average



employee makes twice as much as the average American teacher. Imagine that. The people here in Washington are making twice as much—the bureaucrats dealing with education issues—making twice as much as the classroom teacher in America who's actually teaching the students.

So for these reasons I sponsored the Workforce Reduction Act. And this bill does a couple of things: one, it freezes Federal Government employment; and, secondly, for every year we're running a deficit, we will take vacant positions. When someone retires or someone moves to another job, their position is vacated. Those positions then will go into an employment pool and agencies will have to seek reinstatement of that position so they can hire someone into that position from the employment pool. They'll have to justify it and they'll have to compete for those positions because for every two people who leave their job and vacate a position, only one position survives in the pool, thereby reducing the number of Federal employees through attrition.

We're not firing anybody. We're doing it through attrition. When people retire or leave their job, the number of Federal employees would diminish. The exempt agencies from this plan are Homeland Security, Defense, and Veterans Affairs. Every other agency is subject to it. And this will continue for as long as we run deficits.

The fact that Federal employment has grown by 15 percent when the private sector lost 9 million jobs is just completely unconscionable. It is in furtherance of the big government, big unions, big business agenda that is being advanced through this Congress in the last 18 months, when we should be having small, efficient government. We should be encouraging small business where the job creation is. And we should be encouraging union membership in small relationships that can deal directly with employers on the job site rather than the huge national organizations that have their tentacles in every aspect of every bill that we pass.

So please go to [AmericaSpeakingOut.com](http://AmericaSpeakingOut.com) and weigh in on your thoughts.

We have been joined now by the gentleman from Florida, who is also a distinguished member of this conference. I will yield time to the gentleman from Florida. Thank you for joining us.

Mr. MARIO DIAZ-BALART of Florida. Let me first thank you for bringing us together tonight to talk about such an important issue. The news recently has been full of pictures of the G-20 meeting, where the leaders from around the world got together to speak about the economic situation in the world.

And it was rather, I thought, ironic that you had on one side the Canadian leader, plus many European Union leaders, talking about how we have to control spending, we have to control debt and how the world economies are

going, frankly, are on a path towards not being sustainable. And on the other side, pretty much alone, you have the President of the United States, who continues to insist that we need to spend more money and borrow more money in order to have the economy prosper.

Now, we know how well that has worked so far. Think about it. We had the TARP bailout of Wall Street. We had then the so-called "stimulus." And the gentlewoman from Wyoming just spoke about the results of that almost trillion-dollar borrowed money that the Federal Government took from the American people, from small businesses, from families, to spend it because they said they promised that it was going to fix the employment situation and that unemployment would be capped at 8 percent and 3-plus million jobs will be created.

And we know that the only place where jobs have been created, as the gentlewoman just said and showed so eloquently, was government jobs. Yet, private sector jobs have not been created. But wealth has been taken away from families and small businesses in order to spend and mispend and to waste that money.

□ 1820

And then we had the second part of TARP, the second expenditure of TARP, and then we had the Son of Stimulus. We're continuously told that, Well, yes, that's really helping, and it's worked.

You know, how do you know if what you're being told isn't quite accurate? Well, just listen to what they're telling you. The President himself stated that if the so-called stimulus were to pass that unemployment would be capped at 8 percent, would not reach 8 percent. Those are his numbers. That was his benchmark—not mine, not yours, not the gentleman from Pennsylvania's benchmark. That benchmark was established by the President. He established what he said was going to happen, and yet we all know what has happened.

Unemployment is way above that. Job creation has been dismal. We've actually lost millions of jobs after the stimulus passed, and yet we see our President in front of the world saying, number one, it's worked and that we need to do more of it, as if we're living in some weird time warp. Does he and does the leadership in the House not understand what's going on in Europe right now with Greece, for example, where Greece has had to get bailed out by the European Union because, frankly, their debt is so high and their expenditures are so out of control that they've had to bail them out? Do they not understand what's going on in Spain now where everybody says that they are the next one to, frankly, implode economically because their debt is so high, because their expenditures are so high?

It is my understanding that the President of the United States even

called Spain and said, Hey, you have to cut back on expenses. And yet here he pretends as if we live in Disney World, that you can continue to spend people's money—let me restate that. It's not people's money anymore. It's borrowed money—and that there are no consequences, that it's fake, that the words of just about every economist that says this is unsustainable are just, frankly, not true.

So, by the way, if that were not bad enough, where have they spent this hard-earned money? Where has it gone? Now, if I were to tell you all that—I don't know. Pick your government. Pick a government, a neighboring government. I don't know, Guatemala, Argentina, wherever you want. If we said, Hey, you know, the administration there just established a Web page, and the Web page cost \$5 million. We would all go, Oh, my gosh. What have they done? There's a word for that. It's not "waste." I mean, if that happened someplace else, we don't call it waste. We call it corruption. If we see that some government, some President has created a Web page for \$5 million, we'd look at it and we'd say, Something strange is happening here.

The Web page that was created by this administration to track the failed stimulus didn't cost \$1 million. No, it didn't cost \$5 million. The Web page cost \$18 million. Now, you know, I ask the American people, Have you ever heard of an \$18 million Web page? Does that sound like efficient use of your money? Does that make any sense? So you are wondering why it hasn't created jobs. Well, because the money has been wasted. And I am not going to use another word for it, a word that we would use if it happened someplace else. I'm not going to use the word "corruption" for an \$18 million Web page. But it sure smells funny, and it sure shows you that the money is wasted, and it sure demonstrates why it has not created jobs. And we could go on and on and on and on about money going to campaign consultants, stimulus money going to campaign consultants.

And what is the answer? Is the answer of this administration, of this Congress, "Let's take a step back. Let's look at what we've done. It hasn't worked. Our debt is unsustainable, and everybody has told us that"? When Europe tells us that our debt is unsustainable, that becomes pretty evident and pretty obvious; right? When they tell you that we're spending too much money, the Europeans, for God's sake, tell the United States that we're spending too much money and we are incurring too much debt, that should make us at least take a step back. Let's take a step back and figure out it hasn't worked. The administration has spent all this money. They said it would keep unemployment at 8 percent. It is now way over that. They said it was going to create 3.5 million jobs. That hasn't happened. The only jobs created were bureaucrats in Washington.

So you would think they would take a step back and say, okay, the American people have suffered enough through this irresponsibility. Let's do something different. No. They continue to do more of the same thing. They continue to double up, because it's not their money. It's the American people's money. So they say, Let's just double up on it. We wasted all this money and it hasn't created jobs? We're going to do more. We're going to waste more of the taxpayers' money. It is, frankly, totally unacceptable.

I just want to throw out some numbers, and I will yield back. I want to thank the gentlewoman for allowing me to have this time.

What's the problem here? Look, in 2010, the President's budget, what he submitted—and, by the way, Congress did—was \$3.6 trillion. That's the budget that was submitted. Here's the problem: The revenues for that year were \$2.4 trillion. It doesn't require a NASA rocket scientist to understand what the problem is. But that wasn't enough. This year, the President submitted a budget—the President did—and he submitted a budget that's \$3.8 trillion. But here lies the problem: The estimated revenues for this year—remember, \$3.8 trillion. That's what he submitted after he did it last year again, and all of the reasons why last year was a special year and all the past sins and that's why it had to be done last year. Well, now, this year he submits a budget for \$3.8 trillion. But what are the revenue estimates for this year? \$2.6 trillion.

Now, if that was a company or if someone did that at home, they would be bankrupt. And that's precisely where this is leading the greatest, most prosperous, most generous, most decent nation on this planet. And that's not acceptable. That's why even the Europeans are saying, What are you guys doing? And not only are they doing this, but we have results to show how well it's worked. It has been a dismal failure—not because I say so. Because the President established the benchmark, and under the President's own benchmark it has been a dismal failure. There are consequences of this misspending of money. There are consequences for this debt.

I just want to leave you with one last number. Just in the interest payments alone—not the principal—to pay the interest payments by the year 2020, the American people are going to have to pay almost \$1 trillion just in interest payments. That's the President's budget. That's what they claim is going to be the expensing, the cost, the numbers that are going to have to be paid by the American people just to pay the debt that they are incurring.

□ 1830

You know, I want to thank the gentlewoman for bringing us here today to explain, to talk about, this is not monopoly money. This is real. This is our children's and our grandchildren's fu-

ture. This is the future of this, the greatest country on Earth. And we can take a step back. We can salvage the situation. We can create jobs. We can stop this path towards bankruptcy. But we need to do so now.

And the reason the Democratic Congress is not even going to present, it seems, not even going to try to attempt, it looks like, to pass a budget out of the House is because these numbers—they're not my numbers, they're the official numbers—and they must be embarrassed to show the American people the truth so, therefore, they're not even going to present a budget.

I haven't been here that long. But, in the time that I've been here, that's never happened. It's never happened. Not even attempting to present a budget because the numbers are so dismal under their watch. This is not inherited. Under their watch the numbers are so dismal that they don't even want the American people to see those numbers.

Well, you know something? The American people are wise. They're not dumb. You can try to hide the facts, but the facts are there. You can try to not show the numbers, but the numbers are there.

So, again, I want to thank you for this opportunity to speak to the American people, directly to the American people, as to what their government is doing with their money, with their children's money, with their grandchildren's money and with the future of our Nation. I'm sure that we'll be able to reverse it, but we need to start now.

Thank you. I yield back.

Mrs. LUMMIS. I thank the gentleman from Florida, Mr. DIAZ-BALART, for his very succinct summary of why we haven't seen a budget and why we're not going to see a budget this year. And the answer, of course, is that it is so out of balance, we are spending so much more than we take in that there is a level of embarrassment. Instead of cutting spending, instead of even making a beginning to cutting spending, the answer of the majority party is to not present a budget at all.

I return, again, to the Budget Committee chairman's own words: If you can't budget, you can't govern.

I understand that there used to be, within the Congress, a committee that was, in essence, a counterbalance to the Appropriations Committee. Since the Appropriations Committee spends money, that there was actually a committee that would determine where we could cut, what Federal agencies could be eliminated, which ones could be downsized, which ones could be more efficient. And maybe that's an idea that needs to be resurrected. If you believe that, please go to [Americaspeakingout.com](http://Americaspeakingout.com) and let us know. Weigh in on these ideas. Give us your creative ideas.

I want to especially encourage people who have served in their state legislature to go to [Americaspeakingout.com](http://Americaspeakingout.com).

States are the great incubators of good ideas. States try out ideas that give the Federal Government a chance to see whether they work or fail. New Jersey's doing that right now. New Jersey's taking the lead. New Jersey's cutting spending. New Jersey's doing it at the request of their constituents. The people in New Jersey are once again in control of the government in New Jersey. And if it works in New Jersey, it's certainly worth a try here in Washington.

One other point I'd like to make that the gentleman from Florida also hit on, and that is, when we're borrowing money from other countries, and have to pay it back with these extraordinary numbers, such as \$1 trillion, every time we borrow we're putting ourselves in the position where we have to pay higher interest.

In the last month, the U.S. Treasury issued some Treasury bonds, and that issue went undersubscribed, which means there were not enough buyers to buy U.S. Treasuries at the interest rate at which they were being offered.

Now, the alternative we have when that occurs is to raise the interest rates because, for heavens sakes, we're on track to need the money, to have to borrow the money. The Treasury can't come back to Congress and say, we couldn't sell them at that interest rate. You all are going to have to cut. That's not the Treasury's job.

The Treasury's job is to issue U.S. treasuries to cover our debt. But when nobody will buy them at the rate for which they're being offered, their only alternative is to raise the interest rate and issue them again.

So the borrower, the purchaser of those debts gets a higher return, and they get it from people who are paying taxes. So more and more of your tax dollars is going to go to pay interest on the national debt.

Problem is, as the gentleman from Florida pointed out, we're not taking in enough money this year to pay what we're going to spend this year. We didn't take in enough money last year to pay what we spent last year. We're not going to take in enough money next year, under current projections, to pay what we're spending next year. And on and on and on.

This is a structural deficit, in other words. There's no end in sight to spending more than we're taking in every year. The only way to fill the gap is to borrow more money. And when we can't sell those debts at an interest rate that will attract buyers, we have to raise the interest rate to attract more buyers. The circle is vicious. It is ugly. And the American people are going to foot the bill, especially the young people that are coming up. And they don't want this on their tab. We're hearing from younger Americans now. They don't want this on their tab. I don't want this on their tab either.

I yield again to the gentleman from Florida.

Mr. MARIO DIAZ-BALART of Florida. I think you just brought up, frankly, something that's very scary, should be very scary to us. And you mentioned what happened there is—that's how it started in Europe. That's how it started in Greece, and eventually it basically started to collapse, which is why then the European Union had to bail out Greece, and then they had to talk to Spain about not spending any money, about cutting their spending, et cetera. And so when we talk about how—and not us, when economists—around the country, now even around the world, and leaders around the world say it's unsustainable, it's because that's where we are headed if we don't change that.

But you know what adds insult to injury to me?

I represent the great State of Florida. I will tell you it's probably the greatest place to live in the entire planet.

We have a lot of senior citizens, many of whom depend on Medicare for example. Well, we know that Medicare will be going insolvent in I think just, you know, a handful of years—2016 or 2017 is when it goes insolvent. So here we are borrowing and borrowing and spending and spending and borrowing and spending. Are we using that money? Is the Speaker and is the President using that money to shore up Medicare for our senior citizens? Are they using that money to shore up Social Security for our seniors?

No. They've now created a new entitlement that we know we can call the mother of all entitlements. So not only are they not solving the problems that we have, they're creating new entitlements, which is going to add to the fiscal problem that we're already in. So not only are they borrowing and spending more, they're doing so recklessly, while not dealing with the issues that we all know, everybody knows we have to deal with. So that just adds insult to injury.

And when you mentioned that about remember what happened in Greece, it got to the point where then the market said, we're not going to—your debt is so high that we're not going to buy it unless you pay much higher interest rates. And it gets to the point where then it becomes this vicious circle where all you're doing is paying interest, you know, like people get into with credit cards. This administration, this President are doing exactly the same thing to our country. And the American people are starting to understand.

World leaders are starting to tell the United States, slow down. What are you guys doing?

And yet, this Congress, and our President who, I guess—I don't know—I just don't exactly understand what they're looking at. They're looking at the same numbers that we're looking at. And the things they've done have been dismal failures. I mentioned obviously the stimulus.

But let's talk about one more. How about the billions of dollars that the taxpayers dished out to the car companies, automobile companies? Remember, in order for them to not go bankrupt, all right? So what happened? They didn't go bankrupt? No, they actually did go bankrupt, but after the taxpayer, who's struggling, by the way, and they're losing their jobs, and there's no Federal bailout for them, and they're losing their homes, and there's no Federal bailout for them. No, no, no. Take their money to bail out the auto companies because we can't let them go bankrupt. And they went bankrupt anyway.

□ 1840

So I don't know. That's not a failure? Only in Washington do you say I'm going to spend all this money and it's going to stop unemployment from going above 8 percent, and then it goes way above 8 percent and they don't call that failure. Only in Washington. Only in Washington do you take taxpayers' hard-earned money, say that you are going to stop these auto companies from going bankrupt, and then they go bankrupt anyway and you say, oh, we got to do more of the same. It's nuts. It's insane.

But everybody has realized, everybody, including world leaders—again I repeat myself, and then I will stop—but when you have world leaders of France saying to the United States of America you are borrowing and spending too much, if that's not a wake-up call, then what will it take for this President and this Congress to wake up? And you are right, that's why they are not presenting a budget, because their numbers are frankly unsustainable. The American people would go ballistic if they saw their proposals. But you know something? The American people know what's going on anyway. Thank you for your time.

Mrs. LUMMIS. I thank the gentleman from Florida. Mr. DIAZ-BALART has been a powerful spokesman for responsible Federal budgeting.

I now once again would like to recognize my colleague from Pennsylvania (Mr. THOMPSON), who will be talking further about this issue. And I want to remind people, please do go to AmericaSpeakingOut.com. Also go to the whip's Web site, Mr. CANTOR, who has YouCut on it. Or you can go to the Republican Conference Web site. YouCut is the icon you want to click so you too can vote on ways to cut the Federal budget.

We have identified half a trillion dollars' worth of cuts, and we want to know whether you think they are the right cuts. So please go to YouCut in addition to AmericaSpeakingOut.com.

And again I yield to the gentleman from Pennsylvania.

Mr. THOMPSON of Pennsylvania. I thank the gentlelady for yielding.

You know, there is a very important number here that the American people need to identify with, and it's a num-

ber that brings it home. It's a number that's very personal in terms of personal responsibility, and that is over \$40,000 per person. That's the amount of debt that each man, woman, and child in this country is responsible for. And that doesn't include entitlements. If we got into Medicare and Social Security, that number would be much larger. But just keeping it within the scheme of excluding entitlements, over \$40,000.

Now, you look at the young people that we have today, and the fact is that we are not—we don't come to each American and collect a check. If we did that, it all would be divided up evenly. And that's a heck of a lot of money. That's a tremendous amount of debt to start your life out with for a young person.

But the fact is, that's not how we do things. You know, we kind of kick the can down the road, as I heard you use that phrase earlier. You know, we divide things up. You know, not everybody pays the same amount. And so this legacy of debt we are really following the next generation, our children, our grandchildren, future generations disproportionately. So what was \$40,000 today will just grow exponentially.

And that legacy of debt is not a legacy—you know, there is not a generation that doesn't want to leave this country better than what we received from our parents. But we are failing. With this Congress, with this President we are failing at the legacy that we are leaving: today, in 2010, a debt of \$40,000 per person.

Now, I really appreciate you pointing out AmericaSpeakingOut and the YouCut. YouCut is just a wonderful tool. It gives the American people voice. Because you know who the experts are in terms of cutting today? The experts at living within their means, of pulling that belt a little tighter? That's the American citizens and the American families. They are the ones that live within their means. They know that in difficult times you have to make difficult choices. That's called showing leadership. That is not something this Congress has done.

And so YouCut, and YouCut, it really is brand new. It's 5 weeks old. It hasn't been around that long. The gentlelady from Wyoming pointed out that you can access that through the Republican whip's Web site. And in the first 5 weeks we have identified over \$100 billion in cuts to government. Now, that's the way to tighten the belt on the budget. And that's something the American citizens, the American families do each and every day. They live within their means.

And so that's what's so exciting about AmericaSpeakingOut and YouCut. This gives the American citizens a voice in this process. The Federal Government and the budget is not something that they are removed from. It's something that they have a voice, they are able to weigh in and share their ideas. And I can't wait to hear

what ideas they submit in the future. And as those ideas come in, they get vetted, they may see their ideas wind up on the YouCut list, where they will have a chance to really, they can vote, go in and pick on where are the next level of cuts that we should levy in terms of making sure that the Federal Government lives within its means just like the American families do.

So I thank the gentlelady for just pointing out those very important resources for the American citizens.

Mrs. LUMMIS. I thank the gentleman from Pennsylvania for joining me this evening, in addition to the gentleman from Florida.

We have been trying to point out the structural deficit and debt that this country can no longer absorb and that we have to address. So it does my heart good to see the gentleman from Pennsylvania get so excited about the notion of cutting spending. And we want the American people to share our enthusiasm for cutting spending. We want the American people to weigh in. AmericaSpeakingOut.com and YouCut are two ways that you can do that.

I talk to people in Wyoming every weekend when I go home, and they share with me their thoughts about reducing spending. They see irresponsible spending, inefficient spending. They know where it is. And there are people all over this country who know where it is. So please share with us your ideas so we can create an exciting new agenda for this country that actually takes a slice out of inefficient government, and we get leaner and more able to maneuver, and give more room in our economy to a growing entrepreneurial sector that can create jobs and that isn't shackled by oppressive taxes, but pays an amount of taxes that are commensurate with their ability to unleash their creativity and create jobs and have the money available to borrow and expand and grow and create a vibrant America in our communities, in our churches, in our States, where the great incubators of ideas, where the great spirit of entrepreneurship is really alive and well.

I thank the gentleman from Pennsylvania for joining me. Do you have any concluding remarks?

Mr. THOMPSON of Pennsylvania. Well, I thank the gentlelady. Just the fact that we have, as our good friend from Florida pointed out, there are many nations across the western world that are working very hard to put their fiscal house in order. They have actually recognized that they have to stop the spending. They have to stop the borrowing. They can't be levying these tremendous taxes on the shoulders of their citizens. They have taken a better path, a path of fiscal responsibility.

Yet in this Congress, with our President, that's not a path we have taken. He went to the G-20 trying to encourage the other world leaders to spend more, to spend their way into prosperity. And really what you do when you spend too much, you spend your

way out of prosperity. And, frankly, this is a country that we have always been the most prosperous Nation in the world, and we are on the wrong path to sustain that. That's something we need to change.

You know, when I travel home, people talk about the spending, they talk about the borrowing, they talk about the taxing. And the thing that they talk about most as a result of that is the word "uncertainty" and how this has created uncertainty within our economy. There are over 20 million small businesses in this wonderful Nation of the United States of America. And these small businesses were created and are grown by entrepreneurs who are willing to take a risk. They work hard, they work long days, they work most days. And many times they do that and take no revenue for themselves. They reinvest in their business to grow the business and grow more jobs and create jobs, family-sustaining jobs.

But today, because of the policies we've seen over the past 18 months, they choose—they are uncertain. They don't know what's coming next. Is it more health care mandates? Is it a premium on energy under cap-and-tax, cap-and-trade? Is it more taxes levied on small businesses? You know, many small businesses are organized as limited liability corporations in such a way that they have been the victim of the increased taxes that this Congress, the Democratic majority, has passed in the past 18 months; the burdens, the tripling the size of the Environmental Protection Agency, agencies such as that that put tremendous regulatory burdens on our job creators.

□ 1850

Well, this uncertainty has created—these folks are, you know what? They're sitting on the sidelines today because they're afraid of what's coming next. As opposed to being a company, an organization, that normally would take a good portion of their profits—and that's not a bad word; that is a good word—and reinvesting those profits—instead of taking those profits, they reinvest them in their company and grow the company; they buy new capital; they build new facilities; they hire more people—they're not doing that right now, and that's why any kind of an increase that we're seeing in rebound in unemployment, which obviously isn't much because we're just under 10 percent, it's been public. It's been all those temporary jobs of the census workers. It's been temporary jobs sustained by the stimulus. And yet the private sector has really been suffering under uncertainty, and the American people deserve better.

I just thank the gentlelady for hosting this hour this evening.

Mrs. LUMMIS. I thank the gentleman from Pennsylvania for joining me.

You've been hearing about our concern that this year, for the first time

since we had the Budget Act in 1974, we are not going to pass a budget in the U.S. House, and it's because the majority party does not want the American people focused on how serious the situation is, how huge the gap is between the revenues we take in and the amount of money we're spending.

Imagine a Congress that gets together and is more excited about reducing spending, saving money, finding efficiency, reducing the debt, cutting the deficit, and celebrating it with the American people, in concert with the American people. Imagine going to a tea party where everyone is celebrating the fact that for the first time ever the Federal Government cut spending. That's going to be something to celebrate. That will be something to be proud of.

You can help with it. Go to [americaspeakingout.com](http://americaspeakingout.com); go to YouCut, give us your ideas. Let's build the momentum so this Congress can celebrate with the American people the return to a more stable, vibrant, robust American economy, driven by the American people. The American people are still in control of this country. It can get really discouraging sitting around here voting and getting defeated on vote after vote after vote. That's been happening to me for the last 18 months. But the great reward is I know the American people are in control, and I thank you for the opportunity to discuss these issues with you this evening.

#### TOO MUCH GOVERNMENT CONTROL

The SPEAKER pro tempore (Mr. CRITZ). Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Mr. Speaker, it's a privilege to have the opportunity to address you here on the floor of the House, and a lot of subjects come up here. About every imaginable thing has been debated here on the floor. I've listened to a lot of the dialogue that's unfolded in the previous hour, and I appreciate my colleagues' presentation or discussion of especially the economic and the spending situation, the dire straits that America is in.

And it seems ironic to me, Mr. Speaker, that about a year ago, in fact a little more than a year ago, I sat in the office in Berlin just outside Reichstag and had a conversation with the Chancellor of Germany, Angela Merkel, who made the argument to us that the United States is spending too much money, that the financial crisis—this, I believe, was actually February or March of 2009, and she made the argument that the solution for our economic crisis was not the Federal Government spending more money, Mr. Speaker, but it was about some targeted tax cuts that they had provided for their socialized economy.

European socialized economy, government-managed business, public-private partnerships, that's been some of the problems as to why they haven't had the economic vitality that we've had in the United States, and still as this financial situation unfolded, brought to the American people's attention about September 19, 2008, before the Presidential election I might add, and these discussions were taking place in February and then again in May of 2009 with representatives of the European Union and the leadership over Western Europe, whom I've often been critical of because they didn't let free enterprise flourish, had too many government regulations, had too many taxes, and because of that their economy was bogged down. Entrepreneurs weren't allowed to have the prosperity that they would have in the United States. Our economy grew, their economy stagnated, and that's what we've seen unfold over the last generation or so in the economic comparison between Europe and the United States.

But I found myself in the improbable position of listening to the leadership of the European Union and Western Europe lecture Americans that we should spend less money, not more money. Their plan, I believe, was \$480 billion altogether, \$400 billion in loans and \$80 billion in targeted spending. And the advice was America needs to hold down the spending and we need to adopt a more fiscally responsible budget, spend less money, provide less debt, and not this pass on to the next generations.

Well, that was a year and several months ago when this began, Mr. Speaker, and during the last couple of weeks, we've heard that lecture again from the same person, Angela Merkel of Germany. I'm glad she's making this case. It ought to hit home to our President of the United States. It ought to hit all of us here in this country that we in America, this Congress, over my vociferous objections and that of many of my colleagues voted "no" on a \$700 billion TARP fund and voted "no" on a \$787 billion economic stimulus plan, and in the middle of that, while it was framed, we watched the government takeover of the three large investment banks and AIG and Fannie Mae and Freddie Mac and General Motors and Chrysler and the student loan program. We watched the nationalization of our skin and everything inside it in the form of ObamaCare, and the government has now subsequently, within that list that I've just identified, swallowed up over 50 percent of the former private sector activity of our economy and more to come.

Financial services, reaching out to tap in and regulate every credit transaction in America and setting up boards and a whole new regulatory shield, another layer of regulation for our financial institutions, for our large banks, and to a lesser degree, for our independent banks and smaller banks, but not for Fannie Mae and Freddie Mac where a lot of this problem came

from, where the taxpayers of the United States now assumed a \$7.5 trillion contingent liability if Fannie and Freddie should go under. We've dumped billions into them, \$40 billion to \$50 billion comes to mind perhaps for each. And if they should become insolvent, the American taxpayers have to keep dumping money into Fannie and Freddie to prop them up because they're part of the takeover where they used to be private. At one time, Fannie Mae and Freddie Mac were private. Then they were quasi-government. Now, they're completely under the ownership, management, or control of the Federal Government.

All of this has taken place in the last year and half or a little more. We watched it happen. I've argued against it every step of the way, so have some of my colleagues, and quite a number of my good, reliable colleagues have come to the floor, Mr. Speaker, and made this case, made it over and over and over again.

But this situation that Europe has where they have loaned money to each other, the economy of Greece has gone down and been propped up by the European Union, and the economy of Spain has the highest unemployment—I think Greece might have eclipsed them, but for a long time Spain had the highest unemployment in the industrialized world. Their economy is wobbling. Ireland's economy is wobbling, and the European Union countries have loaned money to each other. It's almost like being in a poker game.

And let's just say that, because of all the overhead that's taken out by government, all the regulations taken out by government, if you all sit down in a poker game and the house takes, let's say, 45 percent of every pot, sooner or later the people sitting around the table that are trying to exchange those dollars are exchanging IOUs instead because the house has taken the money.

□ 1900

Government has swallowed up too much of the proceeds of the private sector, and then they have loaned money to each other, and the United States is borrowing money from around the world. In fact, the amount of money that is borrowed from the Chinese is now approaching \$1 trillion. And, yes, Americans have invested into American debt. But this debt is too hard a burden for us to carry.

I put a polling question up on my Web site. The news is full every day of the environmental calamity in the gulf and it goes on every day, and it is sad, and it is tragic, and I think we should turn all our efforts to shutting off the leak and cleaning up the mess, Mr. Speaker. But I asked in the polling question, what is the greatest threat to America, the gulf oil leak or the debt and deficit that this country is carrying? And about 80 percent of the respondents in the poll will say the debt and deficit is a greater threat to America than the gulf oil leak.

That gives me encouragement. That tells me the American people are on target here; that they understand the priorities and they understand the long-term implications of the debt and the deficit that we are carrying now in this economy.

But, Mr. Speaker, those are some of the issues that pick up on the previous speakers within the previous hour, and some concerns come to mind also aside from the economics. And perhaps I will come back to the economic side of this, but I think we need to talk about the rule of law for a little while here tonight.

I often come here to this floor and talk about the pillars of American exceptionalism, those essential components that have made America great. And I have listed them: Freedom of speech, religion, assembly, the right of the people to peaceably assemble and petition the government for redress of grievances, the right to keep and bear arms, which thankfully just this week the Supreme Court has reinforced.

First the Heller case established that it is an individual right to keep and bear arms, and in the case that was settled just this week, I think just yesterday is when the news came out, is that the Second Amendment, the right to keep and bear arms, affects not just the reach of the Federal Government to diminish the gun ownership rights of its citizens, but also the Second Amendment is guaranteed to protect the citizen's right to keep and bear arms from the reach of any political subdivision in America, whether it be States, municipalities, counties, whatever the political subdivisions are.

So the Second Amendment has been established and strengthened twice within this last half a decade or so, first the Heller case and now the case that came out this week. The Second Amendment is another pillar of American exceptionalism, because we know an armed population can defend itself against tyranny.

So the pillars of American exceptionalism being freedom of speech, religion, and the press; the right to peaceably assemble and petition the government for redress of grievances; the right to keep and bear arms shall not be infringed, and we will go right on up the line within the Bill of Rights. Some of them, including the rights to property, which have been subverted by the Kelo decision, and I hope one day that decision is overturned by a Supreme Court that is more prudent and the past Supreme Court that made that decision; the protection against double jeopardy and the right to be tried by a jury of our peers—the list goes on. But most of those pillars of American exceptionalism are within the Constitution and the Bill of Rights.

There are a couple of other components that are part of American exceptionalism that are not defined in the Bill of Rights or the Constitution, and that is something where one of

them, one of them, Mr. Speaker, is enshrined in the flashcards that are produced by USCIS, the United States Citizenship Immigration Services. These flashcards rights are little training cards, like you would imagine or see in a classroom that you can learn off of. The flashcard that says 2 plus 2, you snap it over and it says 4; 4 plus 4 is 8; and the list goes on.

But the flashcards for learning to become a naturalized American citizen ask simple questions, questions that you would need to know the answer to if you were going to be a naturalized American citizen. And it would start with, who is the Father of our country? And you flip the card over, George Washington. Who emancipated the slaves? Abraham Lincoln.

Question Number 11, I believe, is, what is the economic system of the United States? Flip that card over, and on the other side it says free enterprise capitalism, Mr. Speaker. The economic system of the United States. That is a pillar of American exceptionalism.

If we didn't have free enterprise capitalism, we would not be a great nation. Our economy could not have competed with that of the rest of the world. We could not have built the industrial giant that supported our people and our troops and the military around the world to win World War II. We would not have emerged as victors in World War II without free enterprise being a driving force that let the industry in America fulfill and supply the demand that we had for 16 million mostly men and also women in uniform in World War II.

We went all over the world with our economy, with our people. We brought American products everywhere in the world. There was a chance for profit. Our factories were running at a fever pitch day and night. We were building bombers and tanks and ships and parachutes, and we were providing supplies for a lot of the rest of the world whose industry had been destroyed. And at the end of World War II, we were the only industrialized country in the world that had an intact industry.

And the dollar was golden. The greenback was strong. It was a silver certificate at the time. And we saw American culture, American values, and American products spread all throughout the world. We provided a large share of the world's manufacturing and industry, and a lot of that was driven because we maintained intact that pillar of American exceptionalism called free enterprise capitalism, that freedom to produce and earn, and, yes, get wealthy, if you can figure out how to do it, keep some of what you earn, keep a lot of what you earn.

And, by the way, the unemployment rate at the end of World War II in this country was 1.2 percent. And when people argue that we have been at historically low unemployment levels and argue that 4.6 percent is that, or that that is a normal unemployment level, I

point them back to the lowest level that we have seen in history, 1.2 percent at the end of World War II. And then the number went up when a lot of our soldiers came home.

But free enterprise capitalism is what has driven the industrialized might of the United States. It has driven our military. It has taken our culture around the world. The desire to trade and market and profit from it has taken the American culture everywhere in the world. Free enterprise capitalism is an exceptional pillar of American exceptionalism.

And another one of those pillars of American exceptionalism is a legitimate, legal immigration system. The Constitution requires that Congress establish a uniform immigration system, so Congress is to do that. And I would say we have done that. It is uniform. It is consistent with the Constitution. We have an Immigration Reform Act that was passed here in this Congress in 1996 and signed into law. We need to have an executive branch that will follow the law.

But the beauty of America's immigration system has been that, up until the last generation or so, maybe the last generation-and-a-half, Mr. Speaker, it has been difficult to come to the United States of America. And the legal system that we had actually screened people out, those who came into Ellis Island, the millions that came into Ellis Island. And I can think of one day that set the record: 11,757 came through the great hall at Ellis Island on, I think I can remember the year and the date, April 15, 1907. A massive number, just like 11,757 people through there. But day by day by day they came through.

About 2 percent of those who had actually been screened before they got on the ship to come to the United States, to immigrate into the United States, even though they were screened, they were screened for good health, for sanity, so-to-speak, they were screened so they had an ability to take care of themselves, they arrived here in the United States of America.

America a century ago was a meritocracy. We didn't have a welfare system that had at this point evolved into a welfare state. It was a meritocracy. We wanted people that were physically healthy, mentally healthy, able to come here and get a job and go to work or start a business and sustain themselves and provide for themselves.

□ 1910

They were screened by conditions that we had then before they got on the ship, generally in Europe at that time, and they were screened again when they arrived at Ellis Island. They were checked physically. Sometimes, yes, they were rushed through. But even though they were screened before they came, about 2 percent were sent back to their home country because they didn't meet the standards here in America.

But almost all of them who came to the United States, almost all of them aspired to the American Dream. And many of them may have believed that the streets were paved in gold and gotten here and were disappointed to find out they were actually paved in dirt, dust, mud, sometimes cobblestones, sometimes horse manure. It wasn't quite the beautiful place that was advertised on the brochures in Europe, but they came. And some of them went back voluntarily because they didn't find the promise that they thought they had.

But all of them had a dream—almost all of them had a dream. And they shared the American Dream. And when they came here, they brought with them the dreamer's vitality, the dreamer's energy, the dreamer's stick-to-it-ive-ness, and the conviction that they could start up a life for themselves, make a life for themselves, and leave this world a better place for their children than it was for them. It's always been an embodiment and a component of the American Dream.

So the legal immigration that came to America did this, Mr. Speaker. And this is the verbal definition of one of the pillars of American exceptionalism—legal immigration skimmed the cream of the crop off of every donor civilization that sent people to the United States. When that happened, we got their vigor, we got their dreams, we got some of their capital, we got all of their work, and we've got their descendants that grew up here in America with that same dream.

And even though it might have been first generation immigrants that might have lived in a shantytown and worked in a boiler factory somewhere, they worked to make life better and they pushed their children to get an education and they taught them that America has embraced us and we have our freedom, we have our liberty here. And you need to defend our country and go out and make sure that you're going to grow up in a better opportunity than the first generation had, and make sure the third generation has more opportunities than the second and the fourth generation more opportunities than the third. And so on and so on.

And so it has been. It's been true with family after family, generation after generation. And it's embodied in a way in my family where I have a grandmother that came from Germany. She raised six sons and a daughter. Of those six sons, five of them put on the uniform to defend our country. Some of them went back to Germany in the Second World War. One was wounded at the Battle of the Bulge. My father went to the South Pacific. They didn't hesitate. They didn't hesitate to go take on the country that their mother had come from. They knew and they believed that they owed this country a debt of gratitude, and they demonstrated it. And that's part of the greatness of America, too.



But that pillar of American exceptionalism, that vitality of the Americans that come here infused with the generational tradition of that vitality, and the multiple generations, has been a significant part of American exceptionalism. And I look at the roots of these causes for American exceptionalism, and I often take this back to the Age of Reason in Greece and Roman law and how the knowledge base that was established by rational thought in the Age of Reason in Greece and the Roman law found its way through the Dark Ages and emerged in the Age of Enlightenment, the English-speaking component of the Age of Enlightenment, to be specific, Mr. Speaker.

As those qualities arrived here in the New World, in America, at the dawn of the Industrial Revolution and a continent that had at that time conceived only unlimited natural resources, low taxation, no regulation, a concept of manifest destiny, of having been the beneficiary of the Age of Enlightenment at the dawn of the Industrial Revolution and had the foundation of our Judeo-Christian values arrived here with those immigrants—most of them; that foundation of value system that comes from the birth of Christ and the redemption that comes with Christ and 1,500 years later also the Protestant reformation and Martin Luther that taught the Protestant work ethic that was picked up by the Catholics. And the Catholics did pretty good with the Protestant work ethic, is my point, Mr. Speaker.

So we've seen this vitality in this giant petri dish of America every component that we can imagine that has been positive has been here in this country, put here by providence—the natural resources, the understanding of the Adam Smithian component of economic theory, the supply and demand invisible hand component of economic theory, the Age of Reason from Greece and the Roman law that found their way through the Dark Ages and emerged as the Age of Enlightenment, all here in the United States of America. It was unlimited natural resources that go along with it.

Those components, driven by the vitality of the immigrants that have come here, have been essential to this Nation rising through the challenges of the ages and facing off against the world when we didn't see ourselves as a world power. We didn't see ourselves as a world power when we found ourselves in the Spanish-American War. And so we have the legacy of that that exists today. Puerto Rico is one of those components. The Philippines is another. That goes around the world pretty well.

We didn't view ourselves as a global power, but we had a global reach after having had the Maine sunk in Havana Harbor. America had a global reach. Even though we didn't, again, see ourselves as a global power, we got in at the tail end of World War I and made a

difference and changed the balance. And now we were a player in the world that needed to be contended with. It's not to go out and find a war to do that. They came to us because we had to defend the liberty and the freedom in the world and align ourselves with people that believed in the same values.

And a generation after World War I, along came World War II. Now, that was a cataclysmic conflict where tens of millions died, and America emerged as the world power and the dominant force in the world until such time as the Cold War began. And even then, 45 years of the Cold War, a Cold War that started I think we can see it with the Berlin Airlift, which the anniversary of it just began a few days ago, but the United States stood strong and we faced off against the Cold War and the Soviet Union, and there was a game going on, a very high-stakes, life-or-death game; even a life-or-death for the planet game going on.

And at the end of it, in about 1984, Jean Kirkpatrick, as Ambassador to the United Nations appointed under Reagan, had stepped down from that post, and she said as she stepped down—and this will be a paraphrase of her quote, Mr. Speaker. She said, What's going on between the United States and the Soviet Union—speaking of the Cold War—is chess and Monopoly on the same board. And the only question is: Will the United States of America bankrupt the Soviet Union economically before they checkmate us militarily?

That race was going on and the Soviet Union was seeking to build more and more missiles to try and gain an advantage that would cause us to have to concede to them or capitulate on foreign policy, at least, at a minimum; but Ronald Reagan came in and pushed the resurgence of our national defense, built the missiles back up again, and in the process of doing so, November 9, 1989, the Berlin Wall came down.

That's the power of an economy and the power of an ideology over a managed economy, a communist economy, a central command economy. That's the power of it all, Mr. Speaker. This country has been a powerfully strong superpower in the world and the only unchallenged superpower in the world in the aftermath of the Wall coming down on November 9, 1989, and subsequently the implosion of the Soviet Union. It took it about another year and a half to finally get itself wound down.

But we are standing here as the unchallenged superpower in the world in significant and essential part because we have a free enterprise economy. Well, we had a free enterprise economy, and now we are getting a managed economy that's someplace over there. It looks like it's to the left of Europe.

They're lecturing us. Don't spend too much money. They didn't argue we shouldn't do so much nationalization. They're guilty of that, too. But there have been a lot more dollars' worth of

private sector economy nationalized by this President than by Hugo Chavez. And that's not a stretch, Mr. Speaker. It's simply a fact that as Hugo Chavez is blown away by tens of millions, hundreds of billions of dollars.

And how do we get this economy back? I'll submit that it isn't going to happen under this President. President Obama is not going to let go of companies that have been taken over by this Federal Government. I asked the question of the Secretary of the Treasury, under oath, and actually I presented it in a written form because we ran out of time in the hearing. The question is, President Obama was elected at least in part because of his challenge to President Bush for President Bush allegedly not having an exit strategy in Iraq.

□ 1920

We've all heard that. That rhetoric is old and we've forgotten about it, but it's back there, and the RECORD is full of it, Mr. Speaker.

So my question to the Secretary of the Treasury, Tim Geithner, was: If the President has been elected in part for his criticism of President Bush for not having an exit strategy in Iraq, what is the exit policy for the Obama administration to divest themselves from the takeover of the banks, insurance companies, Fannie and Freddie, the car companies that I have listed here earlier in this dialogue, Mr. Speaker. What is their strategy for divesting themselves and giving the private sector back to the private sector? The answer that I received—and granted, they're buried, and they're probably short staffed. They took a couple of months. I will give the Secretary of the Treasury credit. At least he answered my letter. Often I don't get letters from the other Cabinet members that we have. And the answer essentially was this—a couple of months to get the letter back, a seven-page letter, and it boils down to: He would know when the time was right to divest the Federal Government from the ownership, management or control of these entities that have been nationalized. He would know when the time was right. There is no written criteria, and he could make the decision then at the right time. In other words, it's really not your business. I'm not going to write down a formula. We may or may not have an intent to divest the Federal Government from the banks and AIG and Fannie and Freddie. They don't intend to let go of Fannie and Freddie. Fannie and Freddie have an implicit guarantee—actually, it's now a specific guarantee. The taxpayers will bail them out. They are not covered in this financial regulatory reform bill, the Barney Frank/Chris Dodd bill that's designed to solve our economic woes.

I have looked down through some of these things that are not very well known about what's in the financial regulatory reform bill. Out of the House, we know it as H.R. 4173. We

know that there is a conference report. They found out that even though the best judgment of the conference committee produced a result, the votes aren't there. So they're going back to change the conference report and see if they can find the votes to get it passed. I am troubled a little by the procedure, Mr. Speaker.

But here are some things that are in it, and they're not likely to come out. I want to speak to the issue of the focus on special provisions for women and minorities that are in the bill. Now I point out, Mr. Speaker, that I've dealt with this for a long time, with set-asides and had to compete against provisions that are written into Federal contracts as set-asides. I have spent a lot of my life as a contractor doing site development work of all kinds, earthmoving, pipe, concrete work, underground work, demolition work. We would do some seeding, some fencing, those kinds of things, and some concrete work.

I bid a lot of contracts in my professional life, and I can think of one in particular that I will use as an example. The Federal Government has set aside special components. Sometimes a contract is set aside for women or minorities, and no one else can bid it. Now, I had a small company, and I had to start from scratch. I didn't have any capital to begin with. I actually had a negative net worth of \$5,000. I convinced a banker to loan me enough money to buy me an old beaten-up bulldozer, and then I started to work. So I had to build capital with sweat equity and moxie and anything else that could be done that was legal and moral and ethical. I tried to outwork my competition and outsmart my competition and slowly build up an operation where I got a second machine, a little capital, another machine, hire another man, buy another machine, hire another man, and get some capital underneath me to get to the point where I could bond these projects. And there are a lot of sad stories along the way. It's a very difficult thing to build the capital to be able to bid some of these projects.

But all the way along the way, I knew that I was disadvantaged. Big money had a big advantage over on me. The people that were wired in and entrenched, they had a significant advantage over me. I was trying to crack into that without the capital, was short on equipment, short on manpower, strong on ambition, willing to work and work longer and harder hours than anybody else would. But the deck was stacked against me. That's why there aren't a lot of people in the business, because the system and the structure is set in such a way with capital requirements, it's capital intensive with equipment and meeting the regulations for employees, et cetera. So I know how hard that is.

But I would need a project that fit our equipment. It needed to be smaller projects. When it got into the millions

of dollars, we didn't have the ability to bond that, especially in the beginning. And so I needed those projects that were down there—\$100,000 project, \$3,200,000 project, maybe a \$300,000 project. And so I would look for the bid notifications to pick up those projects that fit the things that we could do, that were small enough that we could bid the project. And quite often, I would draw a set of plans and there would be a provision on there that would say "minority set-aside." I couldn't bid the projects because it's a project set aside for a minority or maybe a woman-owned business or sometimes either/or. And I have gotten a little sensitive to this.

I recall a larger project. When I got to the point where I could bond the larger projects—and this is a lifetime of work to get to that point, by the way. And I drew a set of plans for a sewer lagoon project in a city, and I remember right where it is and a lot of the details of the specs. But I was familiar with the engineering firm, familiar with the specifications, so I sat down to put the project together. I spent 4 days getting quotes from suppliers and subcontractors, calculating the volume and the quantities that are there, putting the bid together as best I knew, looking at the project and negotiating to make sure that I drew all the best bids that I could from subcontractors, all the best bids that I could from suppliers. And when I put that together, a man has an honorable responsibility to honor the low bid. I'm bidding for a low bid. The people who bid to me as subcontractors and suppliers, I want their best bid. I want their low bid, and I will honor it, and I will keep it confidential until such time as the bids are opened. That's the standard that needs to exist in the industry.

So I spent 4 days doing that. I got my numbers all together. And right before it was time to submit my bid, I gave one last read through the specifications, and in there, it said that there was a percentage of set-asides for minority contractors. I looked—and I think I could guess at the percentage, but I probably better not guess. It is not a large percentage. I will say under 20. But to find a minority contractor that would do a small part of that project—even if I handed it to him—was an impossibility. I went to the list of contractors. I worked the phones. I called other people that I knew, suppliers and contractors, and said, Where is somebody out here that can do the seeding or the fencing or the riprap work or take on any component of this job, any part of it? Is there somebody that can, somebody that will? The answer was no. There was nobody that could be found. And I had to take that 4 days' work and just toss it in the trash and forget it because it was set aside for minority contractors, the component of it was that I couldn't meet.

Now, if somebody was a large construction company and they had an es-

pecially established minority contractor that they used to plug in to those circumstances, they had a bidding advantage, and those types of situations got set up. They got set up in part because the government created a false demand, and we couldn't find people that would do the job, and so there were sometimes contractors set up that didn't have a desire or a knowledge. They were just a straw man that was used to meet regulations.

□ 1930

I recall a project that was about \$5 million in asphalt paving. There was a minority set-aside on the project for a percentage of the project that came to a number, I'm going to guess that number was around \$250,000 to \$300,000 of that needed to be set aside for a minority contractor. They got bids from a couple of minority contractors who know they can inflate their prices because they're only competing against each other. And at the end, the prime contractors, the asphalt pavers, had to take the one minority contractor and add \$100,000 to his price because they didn't have enough dollars to meet their requirement that was set up by the Federal Government.

So think of what it would be like if you came in and did bridge railings or bridge approaches for large paving projects and you were a minority contractor and you could write your own ticket, and your conscience wouldn't let you write that ticket any higher. You'd priced that out.

And then to have them say, well, I'm going to take your bid for \$250,000 to do the bridge railings and the approach here, even though it's half again more, maybe twice as high as the going rate would be if it were bid competitively amongst the other folks in the business. And I'm going to take your price.

And they wouldn't even tell the minority contractor, they would just put the bid in. They'd add the dollars they needed to it. If they got the job they'd have to go to the minority contractor and say, we added another \$100,000 to your price because we needed to have the percentage that's required by the Federal Government. An extra \$100,000 above the asking price.

These are projects that I've worked with that I know, having been involved in them as another bidder on these projects.

So, imagine getting 10 jobs a year like that and being handed a million dollars extra more than you asked for because there's a set-aside. Now, whatever that does to destroy the work ethic and the professionalism of the minority contractor, it is a cheat on the American taxpayer, and it's got to end.

And yet, I lay all this backdrop on here because, Mr. Speaker, I've got the sheet on what happens with the Barney Frank-Chris Dodd bill. It establishes an Office of Minority and Women Inclusion. They will be an agency responsible for diversity in management, employment, and business activities.

Now, I think we ought to have equal opportunity. I've stood up and defended equal opportunity, and my voting record in this Congress is more consistent with equal opportunity than anyone I know, certainly anybody on that side of the aisle because they vote for preferences. These preferences, Ward Connerly and I agree, Proposition 209 in California, I have sought to establish that as part of the law of the land in the state of Iowa, where I believe that the State shall not discriminate against nor grant preferential treatment to any individual or group on the basis of race, creed, color, ethnicity, or national origin. I believe that would be very close to a verbatim quote of title VII of the Civil Rights Act and Proposition 209 in California. The result of that, Ward Connerly's great work in California, in 1995, when they passed Proposition 209 they had quotas. They had set-asides. There was an Asian quota at the University of California Berkley. They wanted to make sure 12 percent of the students were Asian.

Well, Mr. Speaker, 5 years later, after the constitutional amendment in California lifted and ended the preferences, the student body at the University of the California Berkley was 46 percent Asian, not 12 percent. I think that's a good thing, Mr. Speaker. I think it shows how merit rewards people. And maybe it started out in the beginning that there would be a 12 percent quota, a racial set-aside for Asian minorities at the University of California Berkley or any place else out there in California for that matter. But it got turned on its head by the ambition of the people. And when the cap came off and the Constitution protected the merits of the individuals so that no one would be discriminated for or against, shall not discriminate against or grant preferential treatment to any individual or group on the basis of race, creed, color, ethnicity, or national origin. That is a beautiful statement. It's legally sound. It's rationally sound. It's morally sound. And it's consistent with America because it rewards merit. And it says, you will have an equal opportunity with everyone in this country, and no one shall discriminate against you, and no one shall discriminate in your favor either. Equal opportunity. Compete in the marketplace.

Well, this Barney Frank-Chris Dodd financial regulatory reform bill does anything but that, Mr. Speaker. It provides this Office of Minority and Women Inclusion.

If anybody's wondering what the effect is, when you pass legislation that says, this legislation shall be set aside, these assets of America shall be set aside, these taxpayers dollars that are borrowed from the labor of our grandchildren shall be set aside for women and minorities, do you know what that says, Mr. Speaker?

In a rational world, the Greeks would have understood this. They would have probably written it in Greek, but it

would have said anybody but white men. That's what the definition of women and minority set-asides are. They're set aside for anybody but white men. Now, nobody wants to say that out loud, but this legislation is replete with this language. Women and minorities, women and minorities, equal employment opportunity, and the racial, ethnic, and gender diversity of the workforce and senior management. The gender diversity of workforce. The racial, ethnic, and gender diversity of the workforce.

Now, they know they can't do this by law. They know that the Supreme Court has ruled that it has to be, in the case of the two cases of Michigan, it can't be a formula. It can't be a quota set-aside formula. It has to be an individual evaluation if they're going to be able to allow for a bias in favor of a particular minority that they might define. And even though her last dissenting opinion I agreed with strongly, Justice O'Connor's, and that was the Kelo decision—I found myself on exactly the same page with Sandra Day O'Connor, I completely disagreed with the concept that she wrote in the majority opinion in the Michigan case, or cases, but the one that I'm thinking of is when she wrote that we could perhaps go back and revisit the equal protection clause of the Constitution in 25 years, and maybe our society would have matured to the point where we wouldn't need to have a built-in, let's say a built-in diversity quotient.

Well, you don't correct an injustice with another injustice, Mr. Speaker. Two wrongs don't make a right, to put it in simple mother-to-son language or mother-to-daughter, father-to-daughter language. Two wrongs don't make a right. You don't correct an injustice with another injustice.

But equal opportunity, Martin Luther King's dream, that's consistent, logically, morally, legally. And this bill that is now back in conference to be reshaped to try to get the votes to get it to pass, violates many of those rational principles that I think are the purest principles of America; equal opportunity under the law.

This bill provides for and requires increased participation of minority-owned and women-owned businesses and programs, and in contracts of the agency. Increased from what I don't know, but it has to be increased. And it requires that they develop standards to maximize standards and procedures to ensure—this is interesting language—to the maximum extent possible the utilization of minorities, women, and minority-owned and women-owned businesses, and all businesses and activities at all agency levels. It requires each agency to take affirmative steps to seek diversity. Okay. I'm actually pretty good with that. I think that message should go out there. I think there should be ample opportunity for all people to apply for contracts and jobs. That part is all right. They want to partner with the inner city which is,

of course, a code word. And as I look down through this, it reads and drips through with politically correct language. It says at the conclusion here, it says section 113, the regulation of certain nonbank financial companies.

And again, Mr. Speaker, this is the Barney Frank-Chris Dodd bill. Those two fellows that have put this together, they didn't find a way to put any regulation on Fannie and Freddie. But their bill, under the section 113 regulation of certain nonbank financial companies, it says, the council, the regulating council, should consider, and I'll quote: "The importance of the company as a source of credit for low-income, minority, or underserved communities and the impact that the failure of such company would have on the availability of credit in such communities." And that means, when determining whether a U.S. nonbank financial company shall be supervised by the board of governors and subject to prudential standards.

In other words, this importance of the company as a source of credit for low-income minority and underserved communities, and the impact for the failure of such company, it means the government's going to look differently at these companies if they are serving a minority community, which means their capital requirements are likely to be less. Their regulatory requirements are likely to be less. They will give special consideration; it will not be a balanced, even hand of government. That's essentially guaranteed with the language in this legislation.

This justice is not color blind. This lady justice is not color blind. And it's written into the law to give preference.

And so, what it means is, when I read the language, U.S. nonbank financial companies shall be—let's see—when these conditions, when determining whether a U.S. nonbank financial company shall be supervised by the board of governors and subject to prudential standards. We also know this legislation allows for the Federal Government to determine which financial institutions go into receivership, the standards by which they may set the conditions of that receivership, they can determine the successor owner.

□ 1940

So if a financial institution should be shaky or deemed shaky, then the Secretary of the Treasury, with the assent of the FDIC and the Fed, can close down an institution, they can turn it and sell it, they can take it over themselves and run it and operate it as a federally operated institution simply by determining that.

Maybe it's not too big to fail, though they may make that determination, too; but it might be an agency, a company that is essential to the low-income communities, low-income minority or underserved communities. That gives them the latitude to treat it differently than any other financial institution.

When government gets involved, huge money gets lost. And when liberals get involved and progressives get involved, huge principles of liberty and freedom are sacrificed away to try to reach some kind of a formula of what they think that America should be like.

Martin Luther King never asked for this. I have read almost every one of his speeches, and many of his writings. I heard all of it. I can think of nothing in his writings or his speeches that I disagree with. He stuck to American principles. But this Congress under Pelosi leadership, this President has not stuck to American principles. They have gone all the other way to driving America off the abyss, into a managed socialist economy, and trying to write formulas in here where they pick winners and losers, and giving the Federal Government the authority to shut down or subsidize or set the price on financial institutions. All of this is anathema to America and the American Dream.

We can't have this vitality of this country if we are going to have the Federal Government controlling the movement of our lives in this fashion, writing prescriptions for equality of results, and granting bureaucrats and actually charging bureaucrats with an obligation to produce equality of results as opposed to equality of opportunity.

You know, it's the outreach part I don't necessarily object to. Go ahead and do the outreach. Let the people know in the majority minority colleges that there is jobs and opportunities out there. Take it out there where they can hear it and understand those opportunities. But don't hold it away from the other institutions either. But this President has driven an agenda that pits Americans against Americans.

And I think, Mr. Speaker, that given the time that I have left I would transition into this. It's a case that I have raised over and over again. It's one I am committed to continue raising, and that is apparently the White House has given an order of more than a year ago to the Justice Department to cancel the prosecution in the most open-and-shut case of voter intimidation in the history of America. I have spoken about this before on the floor; I have spoken about it within the media. I have tracked this case, and I know a little about it.

The story I am looking at, though, is in yesterday's Washington Times. Monday, June 28, 2010, the Washington Times. The title of it is "Inside the Black Panther Case." The subtitle, "Anger, Ignorance and Lies." This is an article written by J. Christian Adams. He writes about the New Black Panther case.

Now, to lay the backdrop and the image for this, many of us have seen this on YouTube. In the elections of 2008 in Philadelphia at a polling loca-

tion, the New Black Panthers were organized there, and allegedly in other places. These New Black Panthers are not like the old Black Panthers. These are, I think, more dangerous than the old Black Panthers. But they were there in paramilitary uniforms, including berets, standing in front of the polling place, with a billy club in their hand, smacking it in their hand, and intimidating voters that came in, calling people crackers and many other intimidating components of language.

We've seen that video on YouTube. This is the most open-and-shut voter intimidation case in America, and I will say in the history of America because we didn't have a voter intimidation law until the Civil Rights Act was passed in 1965.

So this article, written by Christian Adams, who has just resigned as an attorney, he is a lawyer based in Virginia, and he served as a voting rights attorney at the Justice Department until this month. And so we have J. Christian Adams wrote this article into the Washington Times. And, Mr. Speaker, I am going to seek to put it into the RECORD:

"On the day President Obama was elected, armed men wearing the black berets and the jackboots of the New Black Panther Party were stationed at the entrance of a polling place in Philadelphia. They brandished a weapon and intimidated voters and poll watchers. After the election, the Justice Department brought a voter intimidation case against the New Black Panther Party and those armed thugs. I and other Justice attorneys diligently pursued the case and obtained an entry of default after the defendants ignored the charges. Before a final judgment could be entered in May of 2009, our superiors ordered us to dismiss the case.

"The New Black Panther case was the simplest and most obvious violation of Federal law I saw in my Justice Department career. Because of the corrupt nature of the dismissals, statements falsely characterizing the case and, most of all, indefensible orders for the career attorneys not to comply with lawful subpoenas investigating the dismissal, this month I resigned my position as a Department of Justice attorney."

I continue the article by J. Christian Adams, former DOJ attorney: "The Federal voter intimidation statutes we used against the New Black Panthers were enacted because America never realized genuine racial equality in elections. Threats of violence characterized elections from the end of the Civil War until the passage of the Voting Rights Act in 1965. Before the Voting Rights Act, blacks seeking the right to vote and those aiding them were victims of violence and intimidation. But unlike the Southern legal system, Southern violence did not discriminate. Black voters were slain, as were

the white champions of their cause. Some of the bodies were tossed into bogs, and in one case in Philadelphia, Mississippi, they were buried together in an earthen dam."

Temporarily close quote and point out the irony of the brutal tragedy in Philadelphia, Mississippi, and I have been there, Mr. Speaker, and the New Black Panthers intimidating voters in Philadelphia, Pennsylvania, the City of Brotherly Love. Philadelphia, Mississippi, Philadelphia, Pennsylvania, City of Brotherly Love, billy clubs, calling people crackers, scaring them away from the polls.

I will continue with the quote: "Based on my firsthand experiences, I believe the dismissal of the Black Panther case was motivated by a lawless hostility toward equal enforcement of the law. Others still within the Department share my assessment. The Department abetted wrongdoers and abandoned law-abiding citizens victimized by the New Black Panthers. The dismissal raises serious questions about the Department's enforcement neutrality in upcoming midterm elections and the subsequent 2012 Presidential election. The U.S. Commission on Civil Rights has opened an investigation into the dismissal of the DOJ's skewed enforcement priorities. Attorneys who brought the case are under subpoena to testify, but the Department ordered us to ignore the subpoena, lawlessly placing us in an unacceptable legal limbo.

"The Assistant Attorney General for Civil Rights, Tom Perez, has testified repeatedly that the facts and law did not support this case. That claim is false. If the actions in Philadelphia do not constitute voter intimidation, it is hard to imagine what would, short of the actual outbreak of violence at the polls. Let's all hope this administration has not invited that outcome through the corrupt dismissal.

"Most corrupt of all, the lawyers who ordered the dismissal—Loretta King, the Obama-appointed acting head of the Civil Rights Division, and Steve Rosenbaum—did not even read the internal Justice Department memorandums supporting the case and investigation. Just as Attorney General Eric Holder, Jr., admitted that he did not read the Arizona immigration law before he condemned it, Mr. Rosenbaum admitted that he had not bothered to read the most important Department documents detailing the investigative facts and applicable law in the New Black Panther case. Christopher Coates, the former Voting Section chief, was so outraged at this dereliction of responsibility that he actually threw the memos at Mr. Rosenbaum in the meeting where they were discussing the dismissal of the case. The Department subsequently removed all of Mr. Coates' responsibilities and sent him to South Carolina.

"Mr. Perez also inaccurately testified to the House Judiciary Committee that

Federal rule number 11 required the dismissal of the lawsuit. Lawyers know that rule 11 is an ethical obligation to bring only meritorious claims, and such a charge by Mr. Perez effectively challenges the ethics and professionalism of the five attorneys who commenced the case."

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"Yet the attorneys who brought the case were voting rights experts and would never pursue a frivolous matter. Their experience in election law far surpassed the experience of the officials who ordered the dismissal.

"Some have called the actions in Philadelphia an isolated incident, not worthy of Federal attention. To the contrary, the Black Panthers in October 2008 announced a nationwide deployment for the election. We had indications that polling-place thugs were deployed elsewhere, not only in November 2008, but also during the Democratic primaries, where they targeted white Hillary Rodham Clinton supporters. In any event, the claw clearly prohibits any isolated incidents of voter intimidation.

"Others have falsely claimed that no voters were affected. Not only did the evidence rebut this claim, but the law does not require a successful effort to intimidate it; it punishes even the attempt," to intimidate.

"Most disturbing, the dismissal is part of a creeping lawlessness infusing our government institutions. Citizens would be shocked to learn about the open and pervasive hostility within the Justice Department to bringing civil rights cases against nonwhite defendants on behalf of white victims. Equal enforcement of justice is not a priority of this administration. Open contempt is voiced for these types of cases.

"Some of my co-workers argued that the law should not be used against black wrongdoers because of the long history of slavery and segregation. Less charitable individuals called it 'payback time.' Incredibly, after the case was dismissed, instructions were given that no more cases against racial minorities like the Black Panther case would be brought by the Voting Section.

"Refusing to enforce the law equally means some citizens are protected by the law while others are left to be victimized, depending on their race. Core American principles of equality before the law and freedom from racial discrimination are at risk. Hopefully, equal enforcement of the law is still a point of bipartisan, if not universal, agreement. However, after my experience with the New Black Panther dismissal and the attitudes held by officials in the Civil Rights Division, I am beginning to fear the era of agreement over these core American principles has passed."

That's the end of the article written by J. Christian Adams, Department of Justice attorney with considerable experience, and this is a case that I've

been intimately familiar with for over a year.

Certainly, like many Americans, I've seen the video, and there's no excuse for canceling the most open-and-shut voter intimidation case in America, and since 1965, we've not had a case that we know of that's been this bad. I don't know what could possibly come forward that would render a case worthy of prosecution by the Holder Attorney General's office or by the President of the United States.

We know that there is significant influence from the White House into the Justice Department. One of the ways and one of the reasons we know that is because Attorney General Holder testified before the Judiciary Committee, in the same hearing where he infamously admitted that he hadn't read Arizona's immigration law, he also conceded that the President had directed him to use the Justice Department to seek to invalidate Arizona's immigration law. Now, that's Presidential interference and influence, and for the Justice Department, and Eric Holder in particular, to testify that day that they're not a political operation, they're not influenced by politics, they're only influenced by the rule of law, I think this case that was in the Washington Times yesterday, expert and written by J. Christian Adams, belies that point.

#### HONORING MARK ROGERS AS PRESIDENT OF NATIONAL AUCTIONEERS ASSOCIATION

The SPEAKER pro tempore (Ms. KILROY). Under a previous order of the House, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

Ms. FOXX. Madam Speaker, I rise today to honor Mark Rogers of Mount Airy, North Carolina. Mark is an accomplished auctioneer and real estate broker and has been in the business for nearly 30 years.

Over his distinguished career, Mark has conducted auctions in a dozen States, selling estates, farm machinery, equipment, and real estate at public auction. As a real estate broker, he served as the regional vice president of the North Carolina Association of Realtors in the early 1990s. He was also the president of the local Board of Realtors in 1987 and was named Realtor of the Year for the local board in 1986. It should come as no surprise then to learn that Mark was elected to be president of the National Auctioneers Association last year and takes office this July.

What's remarkable about this achievement is that Mark's father, Bracky Rogers, who founded the family's real estate and auction business in 1964, has also served as the president of the National Auctioneers Association. When Mark takes over as president, he and his father will be the first father-son duo to have both been elected president of the association.

Before being elected as the National Auctioneers Association's president,

Mark served as president of the North Carolina Auctioneers Association in the 1990s and in 2003 was inducted into the Auctioneers Association of North Carolina Hall of Fame. He was elected director for the National Auctioneers Association in July 2003, treasurer in July 2007, and vice president in July 2008.

Just as impressive as his professional qualifications is the personal character that commends him as an exemplary North Carolina citizen. He is known as an active participant in his community, giving back and reaching out to those who need a helping hand.

Among his many pursuits in the community is his work with Habitat for Humanity, The Shepherd's House, and with Young Life of Surry County. He's also a member of First Baptist Church of Mount Airy. He and his wife, Deidre Blackmon Rogers, have been married for more than 25 years and are active in their children's activities.

The people of Mount Airy are proud to have such a committed businessman as part of the community. He is an asset to the State of North Carolina and to the people of Mount Airy. Today, I congratulate him on becoming the president of the National Auctioneers Association and wish him the very best during his tenure.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 55 minutes p.m.), the House stood in recess subject to the call of the Chair.

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Ms. KILROY) at 8 o'clock and 30 minutes p.m.

#### CONFERENCE REPORT ON H.R. 4173, DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

Mr. FRANK of Massachusetts submitted the following conference report and statement on the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes:

[The text of the conference report will appear in book II of this issue.]

#### FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has agreed to a concurrent resolution of the following title in which the concurrence of the House is requested:



S. Con. Res. 65. Concurrent resolution providing for the use of the catafalque situated in the Exhibition Hall of the Capitol Visitor Center in connection with memorial services to be conducted in the United States Senate Chamber for the Honorable Robert C. Byrd, late a Senator from the State of West Virginia.

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BURTON of Indiana (at the request of Mr. BOEHNER) for today until 12 p.m. on account of travel delays due to inclement weather.

### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCGOVERN) to revise and

extend their remarks and include extraneous material:)

Mr. MCGOVERN, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. WEINER, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. PERRIELLO, for 5 minutes, today.

Mr. DEFazio, for 5 minutes, today.

Mr. QUIGLEY, for 5 minutes, today.

(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, July 1 and 2.

Ms. ROS-LEHTINEN, for 5 minutes, today.

Mr. PAUL, for 5 minutes, June 30 and July 1.

Ms. FOXX, for 5 minutes, today.

Mr. FORTENBERRY, for 5 minutes, today.

### BILL PRESENTED TO THE PRESIDENT

Lorraine C. Miller, Clerk of the House reports that on June 28, 2010 she presented to the President of the United States, for his approval, the following bill.

H.R. 2194. To amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran.

### ADJOURNMENT

Mr. FRANK of Massachusetts. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 31 minutes p.m.), pursuant to House Resolution 1484, the House adjourned until tomorrow, Wednesday, June 30, 2010, at 10 a.m., as a further mark of respect to the memory of the late Honorable ROBERT C. BYRD.

### BUDGETARY EFFECTS OF PAYGO LEGISLATION

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 1554, the Fountainhead Property Land Transfer Act, as amended, for printing in the CONGRESSIONAL RECORD.

#### ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR H.R. 1554, THE FOUNTAINHEAD PROPERTY LAND TRANSFER ACT, AS AMENDED

|   | By fiscal year, in millions of dollars— |      |      |      |      |      |      |      |      |      |      |           |           |
|---|---|------|------|------|------|------|------|------|------|------|------|-----------|-----------|
|   | 2010                                    | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2010–2015 | 2010–2020 |
| Net Increase or Decrease (–) in the Deficit |   |      |      |      |      |      |      |      |      |      |      |           |           |
| Statutory Pay-As-You-Go Impact .....        | 0                                       | –2   | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | –2        | –2        |

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 2340, the Salmon Lake Land Selection Resolution Act, for printing in the CONGRESSIONAL RECORD.

#### CBO ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR H.R. 2340, THE SALMON LAKE LAND SELECTION RESOLUTION ACT, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON NATURAL RESOURCES ON JUNE 16, 2010

|   | By fiscal year, in millions of dollars— |      |      |      |      |      |      |      |      |      |      |           |           |
|---|---|------|------|------|------|------|------|------|------|------|------|-----------|-----------|
|   | 2010                                    | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2010–2015 | 2010–2020 |
| Net Increase or Decrease (–) in the Deficit |   |      |      |      |      |      |      |      |      |      |      |           |           |
| Statutory Pay-As-You-Go Impact .....        | 0                                       | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0         | 0         |

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 5552, the Firearms Excise Tax Improvement Act of 2010, as amended, for printing in the CONGRESSIONAL RECORD.

#### CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 5552, THE FIREARMS EXCISE TAX IMPROVEMENT ACT OF 2010, AS PROVIDED BY THE HOUSE COMMITTEE ON WAYS AND MEANS ON JUNE 29, 2010

|   | By fiscal year, in millions of dollars— |      |      |      |      |      |      |      |      |      |      |           |           |
|---|---|------|------|------|------|------|------|------|------|------|------|-----------|-----------|
|   | 2010                                    | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2010–2015 | 2010–2020 |
| Net Increase or Decrease (–) in the Deficit |   |      |      |      |      |      |      |      |      |      |      |           |           |
| Statutory Pay-As-You-Go Impact .....        | 82                                      | –32  | –30  | –11  | –6   | –155 | 151  | –2   | –1   | –1   | –1   | –151      | –4        |

Sources: Congressional Budget Office and Joint Committee on Taxation.

Note: Components may not sum to totals because of rounding.

Pursuant to Public Law 111-139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 5618, the Restoration of Emergency Unemployment Compensation Act of 2010, for printing in the CONGRESSIONAL RECORD.



CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 5618, THE RESTORATION OF EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 2010, AS INTRODUCED ON JUNE 28, 2010

| By fiscal year, in millions of dollars—                       |       |        |      |      |      |      |      |      |      |      |      |           |           |
|---|-------|--------|------|------|------|------|------|------|------|------|------|-----------|-----------|
|   | 2010  | 2011   | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2010–2015 | 2010–2020 |
| Net Increase in the Deficit                                   |       |        |      |      |      |      |      |      |      |      |      |           |           |
| Total Changes .....   | 8,545 | 24,684 | 218  | 214  | 148  | 76   | 56   | 2    | 0    | 0    | 0    | 33,885    | 33,943    |
| Less: Designated as Emergency Requirements <sup>a</sup> ..... | 8,545 | 24,684 | 218  | 214  | 148  | 76   | 56   | 2    | 0    | 0    | 0    | 33,885    | 33,943    |
| Statutory Pay-As-You-Go Impact .....                          | 0     | 0      | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0         | 0         |
| <b>Memorandum:</b> Components of the Emergency Designations:  |       |        |      |      |      |      |      |      |      |      |      |           |           |
| Change in Outlays .....                                       | 8,545 | 24,495 | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 33,040    | 33,040    |
| Changes in Revenues .....                                     | 0     | –189   | –218 | –214 | –148 | –76  | –56  | –2   | 0    | 0    | 0    | –845      | –903      |

Source: Congressional Budget Office.

Note: Components may not sum to totals because of rounding.

<sup>a</sup>Section 5 of the bill would designate Sections 2 and 3 as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010.

Pursuant to Public Law 111–139, Mr. SPRATT hereby submits, prior to the vote on passage, the attached estimate of the costs of the bill H.R. 5623, the Homebuyers Assistance and Improvement Act of 2010, as amended, for printing in the CONGRESSIONAL RECORD.

CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR H.R. 5623, THE HOMEBUYERS ASSISTANCE AND IMPROVEMENT ACT OF 2010 AS INTRODUCED ON JUNE 29, 2010

| By fiscal year, in millions of dollars—           |      |      |      |      |      |      |      |      |      |      |      |           |           |
|---|------|------|------|------|------|------|------|------|------|------|------|-----------|-----------|
|   | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2010–2015 | 2010–2020 |
| Net Increase or Decrease (–) in the Deficit       |      |      |      |      |      |      |      |      |      |      |      |           |           |
| Statutory Pay-As-You-Go Impact <sup>a</sup> ..... | 19   | 124  | 2    | –27  | –13  | –126 | 24   | 4    | –6   | –6   | –6   | –20       | –9        |

<sup>a</sup>H.R. 5623 would amend the tax code in several ways, including extending the homebuyer tax credit for certain purchases; the bill also would amend the Travel Promotion Act to authorize the collection of additional fees and extend authority to spend those fees.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

8137. A letter from the Director — National Institute of Food and Agriculture, Department of Agriculture, transmitting the Department's final rule — Competitive and Noncompetitive Nonformula Federal Assistance Programs — Administrative Provisions and Subpart K for Biomass Research and Development Initiative (RIN: 0524-AA61) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8138. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the Advance Threat Infrared Countermeasures/Common Missile Warning System, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8139. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the DDG 1000 Zumwalt Class Destroyer Program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8140. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the Wideband Global SATCOM (WGS) program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8141. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the F-35 Joint Strike Fighter (JSF) program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8142. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the Remote Minehunting System (RMS) program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8143. A letter from the Under Secretary, Department of Defense, transmitting a certification on the review of the Apache Block 111 (AB3) program, pursuant to 10 U.S.C. 2433a; to the Committee on Armed Services.

8144. A letter from the Assistant Secretary, Department of Defense, transmitting a quarterly report on withdrawals or diversions of equipment from Reserve component units for the period of January 1, 2010 through March 31, 2010, pursuant to Public Law 109–364, section 349; to the Committee on Armed Services.

8145. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition regulation Supplement; Multiyear Contract Authority for Electricity from Renewable Energy Sources (DFARS Case 2008–D006) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8146. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket ID: FEMA-2010-0003] [Internal Agency Docket No.: FEMA-8131] received June 4, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8147. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket ID: FEMA-2010-0003] received June 4, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8148. A letter from the General Counsel, Department of the Treasury, transmitting a draft bill “To authorize United States participation in, and appropriations for the United States contribution to, the Global Agriculture and Food Security Program, a multi-donor trust fund administered by the World Bank”; to the Committee on Financial Services.

8149. A letter from the Assistant General Counsel for Regulatory Services, Department of Education, transmitting the Department's final rule — National Institute on Disability and Rehabilitation Research (NIDRR)—Disability and Rehabilitation Research Projects and Centers Program—Rehabilitation Engineering Research Centers (RERCs) Catalog of Federal Domestic Assistance (CFDA) Numbers: 84.133E-1 and 84.133E-

3 received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8150. A letter from the Assistant General Counsel for Regulatory Service, Department of Education, transmitting the Department's final rule — Catalog of Federal Domestic Assistance (CFDA) Number: 84.215J received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8151. A letter from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting the Department's final rule — Final Rule Relating to Time and Order of Issuance of Domestic Relations Orders (RIN: 1210-AB15) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

8152. A letter from the Assistant General Counsel for Legislation, Regulation and Energy Efficiency, Department of Energy, transmitting the Department's final rule — Weatherization Assistance for Low-Income Persons: Maintaining the Privacy of Applicants for and Recipients of Services [Docket No.: DOE-EERE-OT-2010-0004] (RIN: 1904-AC16) received June 10, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8153. A letter from the Office of Managing Director, AMD-PERM, Federal Communications Commission, transmitting the Commission's final rule—Amendment of parts 1, 21, 73, 74, and 101 of the Commission's Rules to Facilitate the Provision of Fixed and Mobile Broadband Access, Educational and Other Advanced Services in the 2150-2162 and 2500-2690 MHz Bands [WT Docket No.: 03-66] received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8154. A letter from the Deputy Assistant Secretary For Export Administration, Department of Commerce, transmitting the Department's final rule — Technical Amendment to Part 766 of the Export Administration Regulations [Docket No.: 100603238-0235-01] (RIN: 0694-AE93) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Foreign Affairs.

8155. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting update to the letter sent on June 18, 2009 regarding the Pan Am 103 bombing; to the Committee on Foreign Affairs.

8156. A letter from the Associate Director, PP&I, Department of the Treasury, transmitting the Department's final rule — Iranian Transactions Regulations received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Foreign Affairs.

8157. A letter from the Secretary, Department of the Interior, transmitting the Department's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act), section 5(b); to the Committee on Oversight and Government Reform.

8158. A letter from the Auditor, Office of the District of Columbia Auditor, transmitting a copy of the report entitled, "Auditor's Certification of the Department of Mental Health's FY 2008 Performance Accountability Report", pursuant to D.C. Code section 47-117(d); to the Committee on Oversight and Government Reform.

8159. A letter from the Federal Co-Chair, Appalachian Regional Commission, transmitting the Commission's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31, 2010, pursuant to Section 5(b) of the Inspector General Act of 1978; to the Committee on Oversight and Government Reform.

8160. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — General Services Administration Acquisition Regulation; GSAR Case 2008-G503, Rewrite of GASR Part 505, Publicizing Contract Actions [GSAR Amendment 2010-02; GSAR Case 2008-G503 (Change 45) Docket 2008-0007; Sequence 11] (RIN: 3090-AI71) received June 10, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8161. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the Inspector General's semiannual report to Congress for the reporting period ending March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Oversight and Government Reform.

8162. A letter from the Chairman, National Credit Union Administration, transmitting the Administration's semiannual report from the office of the Inspector General for the period October 1, 2009 through March 31, 2010, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Oversight and Government Reform.

8163. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule — Federal Long Term Care Insurance Program: Eligibility Changes (RIN: 3206-AL92) received June 14, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

8164. A letter from the Program Manager, Department of Justice, transmitting the Department's final rule — Decision-Making Authority Regarding the Denial, Suspension, or Revocation of a Federal Firearms License, or Imposition of a Civil Fine [Docket No.: AFT 17F; AG Order No. 3160-2010 (2008R-10P)] received June 7, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8165. A letter from the Secretary, Department of Transportation, transmitting the Department's report of obligations and unobligated balances of funds provided for Federal-aid highway and safety construction programs for fiscal year 2008 as of September 30, 2008, pursuant to 23 U.S.C. 104(j); to the

Committee on Transportation and Infrastructure.

8166. A letter from the U.S. House of Representatives, Clerk, transmitting annual compilation of financial disclosure statements of the members of the board of the Office of Congressional Ethics, pursuant to rule XXVI, clause 3, of the House Rules; (H. Doc. No. 111-127); to the Committee on Standards of Official Conduct and ordered to be printed.

8167. A letter from the U.S. House of Representatives, Clerk, transmitting the annual compilation of personal financial disclosure statements and amendments thereto required to be filed by Members of the House with the Clerk of the House of Representatives, pursuant to rule XXVI, clause 1, of the House Rules; (H. Doc. No. 111-128); to the Committee on Standards of Official Conduct and ordered to be printed.

8168. A letter from the Director, Regulations Policy and Management Office of the General Counsel, Department of Veterans Affairs, transmitting the Department's final rule—State Cemetery Grants (RIN: 2009-AM96) received June 10, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

8169. A letter from the Director, Regulation Policy and Management, Department of Veterans Affairs, transmitting the Department's final rule — Loan Guaranty: Elimination of Redundant Regulations (RIN: 2900-AN71) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

8170. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Contributed Property [TD 9485] (RIN: 1545-BF28) received June 11, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8171. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Passive Activity Losses And Credits Limited (Rev. Rul. 2010-16) received June 11, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8172. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — New Markets Tax Credit (Rev. Rul. 2010-17) received June 11, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8173. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Update for Weighted Average Interest Rates, Yield Curves, and Segment Rates [Notice 2010-47] received June 11, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8174. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Qualifying Therapeutic Discovery Project Credit [Notice 2010-45] received June 16, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8175. A letter from the Chief, Publications and Regulations Branch, Social Security Administration, transmitting the Administration's final rule — Technical Amendment Language Change from "Wholly" to "Fully" [Docket No.: SSA-2009-0062] (RIN: 0960-AH16) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8176. A letter from the Acting Director, Acquisition Policy and Legislation Branch, Department of Homeland Security, transmitting the Department's final rule — Revision of Department of Homeland Security Acquisition Regulation; Restrictions on Foreign Acquisition (HSAR Case 2009-004 [Docket

No.: DHS-2009-0081] (RIN: 1601-AA57) received June 15, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Homeland Security.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCGOVERN: Committee on Rules. House Resolution 1487. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes (Rept. 111-516). Referred to the House Calendar.

Mr. FRANK of Massachusetts: Committee of Conference. Conference report on H.R. 4173. A bill to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes (Rept. 111-517). Ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. MCNERNEY (for himself, Mr. BISHOP of New York, and Mr. PETERS):

H.R. 5622. A bill to amend the Internal Revenue Code of 1986 to provide for the identification of corporate tax haven countries and increased penalties for tax evasion practices in haven countries that ship United States jobs overseas, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. DAHLKEMPER (for herself, Mr. KRATOVIL, Mr. CHILDERS, Mr. LEVIN, Mr. LEWIS of Georgia, Ms. BERKLEY, Ms. TITUS, and Mr. COURTNEY):

H.R. 5623. A bill to amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on the Budget, Homeland Security, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned, considered and passed.

By Mrs. LUMMIS (for herself, Mr. BISHOP of Utah, Mr. BROWN of Georgia, Mr. ROHRBACHER, Mr. HELLER, Mr. SMITH of Nebraska, Mr. HERGER, Mr. DAVIS of Kentucky, Mr. POSEY, Mr. MARCHANT, Mr. BURTON of Indiana, Mr. CULBERSON, Mr. ROONEY, Mr. HALL of Texas, Mr. KLINE of Minnesota, Mr. FRANKS of Arizona, Mr. BILBRAY, Mr. SHADEGG, Mr. CHAFFETZ, Mr. FLAKE, Mr. CONAWAY, Mr. GALLEGLEY, and Ms. FOXX):

H.R. 5624. A bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges under the

United States Constitution have been deprived by final actions of Federal agencies or other government officials or entities acting under color of State law, and for other purposes; to the Committee on the Judiciary.

By Mr. CAMP (for himself, Mr. UPTON, Mr. ROGERS of Michigan, Ms. KILPATRICK of Michigan, Mr. EHLERS, Mrs. MILLER of Michigan, Mr. DINGELL, Mr. KILDEE, Mr. LEVIN, Mr. HOEKSTRA, Mr. PETERS, Mr. MCCOTTER, Mr. STUPAK, and Mr. SCHAUER):

H.R. 5625. A bill to require the Secretary of the Army to study the feasibility of the hydrological separation of the Great Lakes and Mississippi River Basins; to the Committee on Transportation and Infrastructure.

By Mr. WAXMAN (for himself, Mr. MARKEY of Massachusetts, and Mr. STUPAK):

H.R. 5626. A bill to protect public health and safety and the environment by requiring the use of safe well control technologies and practices for the drilling of high-risk oil and gas wells in the United States, and for other purposes; to the Committee on Natural Resources, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RAHALL (for himself, Mr. FILNER, Ms. NORTON, Ms. CORRINE BROWN of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. CUMMINGS):

H.R. 5627. A bill to amend the Hiring Incentives to Restore Employment Act to assist small business concerns owned and controlled by veterans, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MCCARTHY of New York (for herself, Mr. HARE, Mr. SCOTT of Virginia, Mr. HOLT, Mr. POLIS, Ms. WOOLSEY, Mr. GRIJALVA, Ms. SHEAPORTER, Mr. KUCINICH, Mr. PAYNE, Mr. ANDREWS, Mr. HINOJOSA, Mrs. DAVIS of California, Ms. HIRONO, Mr. PASCRELL, Mr. CAPUANO, Mr. MURPHY of Connecticut, and Mr. SESTAK):

H.R. 5628. A bill to end the use of corporal punishment in schools, and for other purposes; to the Committee on Education and Labor.

By Mr. OBERSTAR (for himself, Mr. CUMMINGS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. DEFazio, Mr. NADLER of New York, Mr. LARSEN of Washington, Mr. CAPUANO, Mr. BISHOP of New York, and Ms. HIRONO):

H.R. 5629. A bill to ensure full recovery from responsible parties of damages for physical and economic injuries, adverse effects on the environment, and clean up of oil spill pollution, to improve the safety of vessels and pipelines supporting offshore oil drilling, to ensure that there are adequate response plans to prevent environmental damage from oil spills, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on the Judiciary, and Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BOOZMAN:

H.R. 5630. A bill to amend title 38, United States Code, to provide for qualifications for

vocational rehabilitation counselors and vocational rehabilitation employment coordinators employed by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. HASTINGS of Florida (for himself, Mr. MEEK of Florida, and Mr. JOHNSON of Georgia):

H.R. 5631. A bill to establish the Gulf Coast Conservation Corps under the direction of the President in order to create jobs cleaning up the oil spill and restoring the Gulf of Mexico and surrounding areas, and for other purposes; to the Committee on Education and Labor, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HERSETH SANDLIN (for herself and Mr. SMITH of Nebraska):

H.R. 5632. A bill to improve choices for consumers for fuel, and for other purposes; to the Committee on Energy and Commerce.

By Ms. HERSETH SANDLIN:

H.R. 5633. A bill to improve choices for consumers for vehicles, and for other purposes; to the Committee on Energy and Commerce.

By Mr. INSLEE (for himself, Mr. REICHERT, Mr. YOUNG of Florida, and Mr. HOLT):

H.R. 5634. A bill to amend the Outer Continental Shelf Lands Act to require that oil and gas drilling and production operations on the outer Continental Shelf must have in place the best available technology for blow-out preventers and emergency shutoff equipment, and for other purposes; to the Committee on Natural Resources, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MAFFEI:

H.R. 5635. A bill to amend the Federal Water Pollution Control Act to direct the Administrator of the Environmental Protection Agency to carry out activities for the restoration, conservation, and management of Onondaga Lake, New York, and for other purposes; to the Committee on Transportation and Infrastructure.

By Ms. MATSUI (for herself and Mr. ENGEL):

H.R. 5636. A bill to establish Federally Qualified Behavioral Health Centers and to require Medicaid coverage for services provided by such Centers; to the Committee on Energy and Commerce.

By Mr. MURPHY of Connecticut (for himself, Mr. JONES, Ms. SUTTON, Mr. CRITZ, Mr. SCHAUER, Mr. RYAN of Ohio, Mr. LIPINSKI, and Mr. MANZULLO):

H.R. 5637. A bill to amend the Federal Property and Administrative Services Act of 1949 and title 10, United States Code, to allow contracting officers to consider information regarding domestic employment before awarding a Federal contract, and for other purposes; to the Committee on Oversight and Government Reform, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SESTAK:

H.R. 5638. A bill to amend the Internal Revenue Code of 1986 to extend the qualifying advanced energy project credit; to the Committee on Ways and Means.

By Mr. STEARNS:

H.R. 5639. A bill to amend the Internal Revenue Code of 1986 to exclude executive branch officers and employees from non-

recognition rules relating to the sale of property to comply with conflict-of-interest requirements; to the Committee on Ways and Means.

By Mr. WEINER:

H.R. 5640. A bill to establish a National Rape Kit Database; to the Committee on the Judiciary.

By Mr. ORTIZ (for himself, Mr. WILSON of South Carolina, and Mr. LINCOLN DIAZ-BALART of Florida):

H. Con. Res. 291. Concurrent resolution celebrating 130 years of United States-Romanian diplomatic relations, congratulating the Romanian people on their achievements as a great nation, and reaffirming the deep bonds of trust and values between the United States and Romania, a trusted and most valued ally; to the Committee on Foreign Affairs.

By Mr. RAHALL:

H. Res. 1484. A resolution expressing the condolences of the House of Representatives on the death of the Honorable Robert C. Byrd, a Senator from the State of West Virginia; considered and agreed to. considered and agreed to.

By Mr. NEUGEBAUER:

H. Res. 1485. A resolution expressing support for designation of September 2010 as "National Prostate Cancer Awareness Month"; to the Committee on Energy and Commerce.

By Mr. CLAY:

H. Res. 1486. A resolution expressing support for designation of June 11, 2011, as "National Minority Golf Awareness Day"; to the Committee on Oversight and Government Reform.

By Mr. ISRAEL (for himself, Ms. DELAURO, Mr. BURTON of Indiana, and Mr. ISSA):

H. Res. 1488. A resolution supporting the goals and ideals of National Ovarian Cancer Awareness Month; to the Committee on Oversight and Government Reform.

#### ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 113: Mr. DJOU.  
H.R. 116: Mr. BOUCHER.  
H.R. 571: Mr. RYAN of Ohio, Mr. WOLF, and Mr. GINGREY of Georgia.  
H.R. 636: Ms. FOXX.  
H.R. 645: Mr. ALTMIRE.  
H.R. 745: Ms. LINDA T. SANCHEZ of California, Ms. GIFFORDS, Ms. TITUS, Mr. YOUNG of Alaska, Ms. LORETTA SANCHEZ of California, Mr. ACKERMAN, Mr. TIM MURPHY of Pennsylvania, Mr. CHILDERS, Mrs. DAHLKEMPER, Mr. KENNEDY, Mr. MURPHY of Connecticut, Mr. BILBRAY, Mr. BURGESS, Ms. RICHARDSON, and Ms. MOORE of Wisconsin.  
H.R. 1067: Mr. DEUTCH and Mr. OWENS.  
H.R. 1079: Mr. FILNER.  
H.R. 1240: Mr. CONNOLLY of Virginia.  
H.R. 1362: Mr. GUTHRIE.  
H.R. 1569: Ms. HIRONO and Ms. BERKLEY.  
H.R. 1925: Mr. DEUTCH and Ms. LINDA T. SANCHEZ of California.  
H.R. 2000: Mr. GONZALEZ, Mr. TOWNS, Mr. RUSH, and Mr. SIREN.  
H.R. 2031: Mr. REHBERG.  
H.R. 2103: Mr. WEINER.  
H.R. 2406: Mr. GRAVES of Georgia and Mr. HOEKSTRA.  
H.R. 2429: Mr. OWENS.  
H.R. 2443: Mr. GUTHRIE.  
H.R. 2455: Mr. MICHAUD and Mr. MCMAHON.  
H.R. 2480: Ms. PINGREE of Maine.  
H.R. 2483: Mr. MCKEON.  
H.R. 2553: Mr. ARCURI.  
H.R. 2568: Mr. THOMPSON of Mississippi.

H.R. 2575: Mr. LOBIONDO.  
H.R. 2697: Mr. BRIGHT.  
H.R. 2855: Mr. BLUMENAUER.  
H.R. 3006: Ms. BERKLEY.  
H.R. 3069: Mr. PAUL.  
H.R. 3077: Mr. DEUTCH.  
H.R. 3108: Mr. BRALEY of Iowa.  
H.R. 3212: Mr. CONNOLLY of Virginia.  
H.R. 3345: Mr. CONNOLLY of Virginia.  
H.R. 3359: Mr. BLUMENAUER.  
H.R. 3441: Mr. COHEN.  
H.R. 3488: Mr. MCNERNEY.  
H.R. 3564: Ms. MCCOLLUM, Mr. CARSON of Indiana, and Mr. TIERNEY.  
H.R. 3721: Mr. ELLISON.  
H.R. 3729: Mr. REYES and Mr. COSTA.  
H.R. 3745: Ms. WATSON.  
H.R. 3781: Mr. CHILDERS.  
H.R. 3786: Mr. JOHNSON of Georgia and Mr. KILDEE.  
H.R. 3839: Mr. LINCOLN DIAZ-BALART of Florida.  
H.R. 3994: Mr. DEUTCH and Mr. CASTLE.  
H.R. 4037: Mr. BRADY of Pennsylvania.  
H.R. 4116: Mr. LYNCH and Mr. CONNOLLY of Virginia.  
H.R. 4175: Mr. ELLISON.  
H.R. 4181: Mr. PIERLUISI, Mr. BERMAN, Mr. LEWIS of Georgia, Mrs. DAVIS of California, and Ms. BERKLEY.  
H.R. 4197: Mr. BISHOP of Georgia, and Ms. LORETTA SANCHEZ of California.  
H.R. 4210: Ms. MATSUI.  
H.R. 4226: Mr. VAN HOLLEN.  
H.R. 4278: Mr. QUIGLEY.  
H.R. 4509: Mr. ARCURI.  
H.R. 4544: Mr. CONNOLLY of Virginia.  
H.R. 4596: Ms. SLAUGHTER, Mr. WEINER, Mr. PALLONE, Mr. COBLE, Mr. DEUTCH, Mr. SHERMAN, Mr. HALL of New York, and Ms. SCHWARTZ.  
H.R. 4604: Mrs. MILLER of Michigan and Mr. ROGERS of Michigan.  
H.R. 4638: Mr. HOLDEN, Ms. PINGREE of Maine, and Mr. CONNOLLY of Virginia.  
H.R. 4642: Mr. GRIJALVA.  
H.R. 4645: Ms. MCCOLLUM, Mr. TOWNS, and Mr. HILL.  
H.R. 4662: Mr. CONNOLLY of Virginia.  
H.R. 4676: Mr. SABLAN and Ms. WATSON.  
H.R. 4692: Mr. BOCCIERI.  
H.R. 4693: Mr. ISSA.  
H.R. 4753: Mr. COSTELLO.  
H.R. 4787: Mr. HONDA.  
H.R. 4796: Mr. MCNERNEY, Ms. PINGREE of Maine, Mr. POSEY, Mr. COBLE, and Mr. MICHAUD.  
H.R. 4812: Mr. BOCCIERI.  
H.R. 4832: Mr. TEAGUE.  
H.R. 4871: Mr. SCHIFF.  
H.R. 4886: Mr. CONNOLLY of Virginia.  
H.R. 4914: Mr. MCMAHON and Ms. ZOE LOFGREN of California.  
H.R. 4947: Mr. CONNOLLY of Virginia.  
H.R. 4958: Ms. BERKLEY.  
H.R. 4959: Mr. GRIJALVA, Mr. ELLISON, and Mrs. NAPOLITANO.  
H.R. 4972: Mr. ROYCE.  
H.R. 4993: Ms. MATSUI, Mr. YARMUTH, Ms. KAPTUR, Mr. HARE, Ms. KILROY, Ms. BORDALLO, Mr. ALTMIRE, and Mr. SCHAUER.  
H.R. 5001: Ms. PINGREE of Maine.  
H.R. 5029: Mr. SCALISE.  
H.R. 5040: Mrs. CAPPS and Ms. PINGREE of Maine.  
H.R. 5044: Mr. FARR and Mr. PERLMUTTER.  
H.R. 5081: Mr. GALLEGLY and Mr. BARRETT of South Carolina.

H.R. 5096: Mr. HINOJOSA.  
H.R. 5111: Mr. ROSKAM and Mr. GERLACH.  
H.R. 5141: Mr. MCKEON.  
H.R. 5173: Mr. HOEKSTRA.  
H.R. 5200: Ms. PINGREE of Maine.  
H.R. 5211: Mr. ROSS.  
H.R. 5234: Mr. FRANK of Massachusetts.  
H.R. 5260: Mr. CONNOLLY of Virginia.  
H.R. 5310: Ms. MOORE of Wisconsin.  
H.R. 5324: Mr. LANGEVIN.  
H.R. 5393: Mr. MILLER of North Carolina.  
H.R. 5396: Mr. CARNAHAN.  
H.R. 5418: Ms. MATSUI.  
H.R. 5434: Mr. MCNERNEY, Mr. MCGOVERN, and Mr. FRANK of Massachusetts.  
H.R. 5477: Mr. POLIS, Ms. MCCOLLUM, and Mr. BLUMENAUER.  
H.R. 5497: Mr. CRITZ, Mr. TANNER, Mr. BOCCIERI, Mr. PETERSON, Mr. HOLDEN, Mr. CUELLAR, Mr. PATRICK J. MURPHY of Pennsylvania, and Ms. KOSMAS.  
H.R. 5509: Mr. BRADY of Pennsylvania.  
H.R. 5510: Mr. HASTINGS of Florida.  
H.R. 5513: Mr. PATRICK J. MURPHY of Pennsylvania.  
H.R. 5523: Mr. BOREN.  
H.R. 5525: Mr. THOMPSON of Pennsylvania.  
H.R. 5540: Mr. BURTON of Indiana and Mr. HERGER.  
H.R. 5541: Mr. BURTON of Indiana and Mr. HERGER.  
H.R. 5542: Mr. BURTON of Indiana and Mr. HERGER.  
H.R. 5552: Mr. COURTNEY, Mr. FLAKE, Mr. KING of Iowa, Mr. HOLDEN, Mr. MILLER of Florida, Mr. BERRY, Mr. DAVIS of Alabama, Mr. CALVERT, Ms. GIFFORDS, Mr. SCALISE, and Mr. LUETKEMEYER.  
H.R. 5555: Mr. SAM JOHNSON of Texas, Ms. GINNY BROWN-WAITE of Florida, and Mr. ROGERS of Kentucky.  
H.R. 5561: Ms. ZOE LOFGREN of California, Ms. NORTON, Mr. CROWLEY, Ms. WATSON, Mr. INSLEE, Ms. CLARKE, Mr. QUIGLEY, Mr. GRIJALVA, Mr. FARR, Ms. SCHAKOWSKY, Mr. PETERS, Ms. WASSERMAN SCHULTZ, Ms. MOORE of Wisconsin, and Mr. STARK.  
H.R. 5562: Mr. THOMPSON of Mississippi.  
H.R. 5566: Ms. HERSETH SANDLIN, Mr. THOMPSON of Mississippi, Ms. PINGREE of Maine, Mr. SPRATT, Mr. LEVIN, and Mr. HIMES.  
H.R. 5580: Mr. MCCARTHY of California.  
H.R. 5585: Mr. WILSON of South Carolina, Mr. CONAWAY, and Mr. MARCHANT.  
H.R. 5596: Mr. FILNER and Ms. ROYBAL-AL-LARD.  
H.R. 5608: Mr. SENSENBRENNER.  
H.R. 5612: Mr. MCNERNEY.  
H.R. 5617: Mr. CONNOLLY of Virginia and Mr. STARK.  
H.R. 5619: Ms. RICHARDSON.  
H. Con. Res. 200: Mr. HINCHEY.  
H. Con. Res. 259: Mr. MANZULLO.  
H. Con. Res. 266: Mrs. MCCARTHY of New York, Ms. JACKSON LEE of Texas, Mr. KENNEDY, Mr. LUETKEMEYER, Mr. SULLIVAN, Mr. YOUNG of Alaska, and Mr. CARNEY.  
H. Con. Res. 281: Mr. GOODLATTE, Mr. SAM JOHNSON of Texas, Mr. ROE of Tennessee, and Mr. WAMP.  
H. Con. Res. 284: Mr. GONZALEZ.  
H. Con. Res. 290: Mr. STUPAK, Mr. MARKEY of Massachusetts, Mr. TOWNS, Mr. BUTTERFIELD, and Mr. HALL of Texas.  
H. Res. 762: Mr. MCGOVERN, Mr. COURTNEY, and Mr. STARK.

H. Res. 771: Mr. BOUCHER and Mr. ENGEL.  
H. Res. 913: Ms. NORTON, Ms. EDDIE BERNICE JOHNSON of Texas, and Ms. CORRINE BROWN of Florida.  
H. Res. 982: Mr. LAMBORN.  
H. Res. 1226: Mr. BONNER and Mr. DINGELL.  
H. Res. 1244: Ms. KILROY.  
H. Res. 1245: Mr. COLE.  
H. Res. 1321: Mr. SMITH of New Jersey and Mr. GALLEGLY.  
H. Res. 1342: Mr. LIPINSKI.  
H. Res. 1370: Mr. STARK.  
H. Res. 1401: Mr. DENT, Mr. TIERNEY, Mr. GRAVES of Missouri, Mr. MCNERNEY, Mr. WITTMAN, and Ms. SLAUGHTER.  
H. Res. 1420: Ms. JACKSON LEE of Texas, Mr. BLUMENAUER, and Mrs. NAPOLITANO.  
H. Res. 1462: Mr. MCGOVERN, Mr. GENE GREEN of Texas, Mr. GRIJALVA, Mr. FARR, Mr. SIRES, Mr. TANNER, Mr. MEEKS of New York, Mr. ROHRABACHER, Mr. TOWNS, Mr. SCHOCK, Mr. GUTIERREZ, Mr. GALLEGLY, Mr. MARIO DIAZ-BALART of Florida, Mr. INGLIS, and Mr. BERMAN.  
H. Res. 1473: Mr. GRAVES of Missouri, Mr. OLSON, and Mr. CHAFFETZ.  
H. Res. 1483: Mr. GRAVES of Georgia, Mr. PRICE of Georgia, Mr. WESTMORELAND, Mr. LINDER, Mr. KINGSTON, Mr. BROUN of Georgia, Mrs. BLACKBURN, Mr. CHAFFETZ, Mr. AKIN, Mr. COLE, Mr. SHIMKUS, Mr. CARNEY, Mr. BISHOP of Utah, Mr. SABLAN, Mr. OLVER, Mr. CAMPBELL, Mr. WILSON of South Carolina, Mr. ROGERS of Alabama, Mr. LOBIONDO, Mr. CRITZ, Mr. SULLIVAN, Mr. MCCARTHY of California, Mr. ELLSWORTH, Mr. MANZULLO, Mr. DOYLE, Mr. BLUNT, Ms. JENKINS, Mr. JONES, Mr. CARSON of Indiana, Mr. CALVERT, Mr. ROE of Tennessee, Mr. SPRATT, Mr. BURTON of Indiana, Mr. PAUL, Mr. BARTLETT, Mr. LOEBSACK, Mr. BOREN, Mr. ANDREWS, Mr. DAVIS of Tennessee, Mr. OLSON, Mr. WILSON of Ohio, Mr. COFFMAN of Colorado, Mr. THOMPSON of Pennsylvania, Mrs. LUMMIS, Mr. SAM JOHNSON of Texas, Mr. DJOU, Mr. CARNAHAN, Mr. COURTNEY, Mr. JOHNSON of Georgia, Mr. GENE GREEN of Texas, and Ms. SHEA-PORTER.

#### CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, OR LIMITED TARIFF BENEFITS

Under clause 9 of rule XXI, lists or statements on congressional earmarks, limited tax benefits, or limited tariff benefits were submitted as follows:

##### OFFERED BY MR. LEVIN

The provisions that warranted a referral to the Committee on Ways and Means in H.R. 5618, to continue Federal unemployment programs, do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

##### OFFERED BY MR. SPRATT

The provisions that warranted a referral to the Committee on the Budget in H.R. 5618, to continue Federal unemployment programs, do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

#### NOTICE

*The text of the Conference Report will be found in Book II of this issue.*



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 111<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 156

WASHINGTON, TUESDAY, JUNE 29, 2010

No. 99

## Senate

The Senate met at 10 a.m. and was called to order by the Honorable JEANNE SHAHEEN, a Senator from the State of New Hampshire.

### PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Our Father, the giver of every good and perfect gift, we need Your power. Strengthen us for today's challenges and use us to glorify Your Name.

Empower our lawmakers to do Your will. Direct them in their labors, strengthen them to meet each challenge, and shield them from discouragement. May they not depart in words, thoughts, or deeds from Your purposes for their lives. Lord, give them the wisdom to trade in the spirit of self-importance for the spirit of self-sacrifice, inspired by the certainty that You are guiding their steps.

We pray in Your sacred Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable JEANNE SHAHEEN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, June 29, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JEANNE SHAHEEN, a

Senator from the State of New Hampshire, to perform the duties of the Chair.

DANIEL K. INOUE,  
President pro tempore.

Mrs. SHAHEEN thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

### SCHEDULE

Mr. REID. Madam President, following leader remarks, the Senate will turn to a period of morning business, with Senators allowed to speak for up to 10 minutes each. The majority will control the first 30 minutes, the Republicans will control the next 30 minutes. Following leader remarks, the Senate will resume consideration of the motion to proceed to H.R. 5297, the small business jobs bill. The Senate will recess from 12:30 until 2:15 p.m. to allow for the weekly caucus luncheons. At 2:15, the Senate will proceed to a roll-call vote on the motion to invoke cloture on the motion to proceed to the Small Business Jobs Act.

### MEASURE PLACED ON THE CALENDAR—H.R. 5175

Mr. REID. Madam President, H.R. 5175 is at the desk and due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the title of the bill for the second time.

The legislative clerk read as follows:

A bill (H.R. 5175) to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.

Mr. REID. Madam President, I would object to any further proceedings at this time.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

### NOMINATION OF GENERAL DAVID PETRAEUS

Mr. McCONNELL. Madam President, the Senate's confirmation hearing for Gen. David Petraeus is now underway. Seeing Gen. Petraeus should remind all of us of the successful counterinsurgency campaign he led in Iraq and of the sacrifices made by coalition forces there before and after the surge of forces in 2007. Regimental and brigade combat teams protected the population and fought hard battles while a counterterrorism campaign, led by General McChrystal, was conducted against insurgent leaders.

Today's hearing also reminds us of the divisive debate that preceded that successful counterinsurgency campaign and of the skepticism and criticisms leveled against General Petraeus by some of our colleagues across the aisle at the time.

Fortunately, the critics did not prevail, either in their attacks on General

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Petraeus or in their calls for a hasty withdrawal of troops based on political timelines rather than the security and stability of Iraq.

If we learned anything from that debate, it is that our national security and the stability of the region outweigh short-term political calculations.

It is clear that our Nation's efforts must be integrated in Afghanistan, just as they were in Iraq. It is worth remembering our forces in Afghanistan have been conducting a counterterrorism campaign for more than 8 years, and this has been insufficient to keep the Taliban from regaining the momentum in Afghanistan. American and Afghan security forces must do more to ensure the Afghan populace that it will be protected, something undermined by withdrawal deadlines.

The surge of forces into Afghanistan ordered by the President is not yet complete. General Petraeus is the right General to command this operation and he should be confirmed quickly.

Madam President, my understanding is that the senior Senator from Washington has a unanimous-consent request she would like to propound.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

#### UNANIMOUS-CONSENT REQUEST— S. 1237

Mrs. MURRAY. Madam President, I thank the Republican leader.

I came to the floor last week and spoke in support of S. 1237, which is the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010, an extremely important and timely bill that will help many women, women with children, and men with children today who served our country, who have come home and do not have the support and services they need and end up homeless on our streets. So I come to the Senate floor today to urge our colleagues to pass this bill quickly.

I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 360, S. 1237, the Homeless Veterans and Other Veterans Health Care Authorities Act; that the committee-reported substitute amendment be considered; that an Akaka amendment, which is at the desk, be agreed to; the substitute amendment, as amended, be agreed to; the bill, as amended, be read a third time and passed; that the committee-reported title amendment be agreed to; and that the motions to reconsider be laid upon the table, with no intervening action or debate.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. MCCONNELL. Madam President, reserving the right to object, and I will have to object on behalf of my colleague, Senator COBURN from Oklahoma, he has some concerns about this legislation, particularly, as he indicates in a letter I will ask to have printed in the RECORD, that it be paid

for up front so the promises to America's veterans are, in fact, kept. So I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. MCCONNELL. I ask unanimous consent that the letter from Senator COBURN to myself on this matter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, DC, June 24, 2010.

Hon. MITCH MCCONNELL,  
Minority Leader, U.S. Senate,  
Washington, DC.

DEAR SENATOR MCCONNELL: I am requesting that I be consulted before the Senate enters into any unanimous-consent agreements regarding S. 1237, the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010.

I strongly believe we must honor our commitment to our nation's veterans as well as our taxpayers. This means we must fulfill the promises made to veterans who made sacrifices defending our freedom, but in a fiscally responsible manner that doesn't bankrupt our country, endangering those very freedoms for which they sacrificed.

This bill authorizes \$3.4 billion in new spending over the next five years. Yet, the legislation does not reduce spending by other government programs to pay for this new spending. At this time, when our nation is projected to add more than a trillion dollars a year to our already unsustainable \$13 trillion national debt, it is irresponsible to authorize any new spending that is not paid for because the end result will either be a false promise to our veterans or a lower standard of living for the children and grandchildren of those veterans who will be burdened with the debt.

I would like to pay for this legislation by reducing lower priority and wasteful spending elsewhere in the government. There are many options to do this, including:

Eliminating nonessential government travel which would save \$10 billion over ten years;

Reducing unnecessary printing costs of government documents which would save \$4.4 billion over ten years;

Disposing of unneeded and unused government property which would collect up to \$15 billion;

Eliminating bonuses to government contractors whose projects are over budget or behind scheduled;

Collecting \$3 billion in unpaid federal taxes from government employees, including nearly \$2.5 million owed by Senate staff; and

Rescinding the \$100 million increase Congress approved for its own budget this year.

There are also hundreds of duplicative, outdated, and wasteful programs that could be eliminated to pay for this bill.

Several months ago, the Senate passed S. 1963, the Caregivers and Veterans Omnibus Health Services Act, which authorized \$3.6 billion in new caregiver benefits for some veterans. At that time, I warned that unless they bill was paid for—which I offered amendments to do its—passage would be “an empty promise to veterans and benefits no one except perhaps the career politicians who will claim credit for doing something to help veterans without really having to make any difficult choices.” Unfortunately, I was right.

The same is likely to be true of this bill. It contains billions of dollars of additional promises which are unaffordable to taxpayers and uncertain for veterans in need.

Veterans and taxpayers should be weary of unpaid for, election year promises made by Washington politicians. With the percentage of Americans approving of Congress' performance barely above single digits, more broken promises and red ink will only bring greater disdain to this institution.

I would, therefore, insist as a condition of my consent for the passage of this bill that the new and expanded benefits in this legislation be paid for upfront so the promises it makes to veterans are kept.

Again, thank you for protecting my rights regarding S. 1237, the Homeless Veterans and Other Veterans Health Care Authorities Act of 2010.

Sincerely,

TOM A. COBURN, M.D.

U.S. Senator.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

Mrs. MURRAY. Madam President, I again thank the Republican leader. I know he is objecting on behalf of another Senator. I just wish to say that this is such an important bill.

We had an amazing woman come and visit last week. Her name is Natalie, and she has two young children. She is living in Issaquah, in my home State of Washington. She has been through some very tough times. She is a Navy veteran. She is a single mom. She came home from serving our country and ended up without a place to live, and they are now living on the streets. She, like any mom, wanted to do everything she could to take care of her kids and provide them the kind of quality of life every one of us does, but she could not find a stable job or income and ended up on the streets.

Natalie became homeless in 2007 when she could not find work and had to move out of the house she was staying in.

Natalie wanted nothing more than to provide her two children with the stable and loving home every family deserves, so she fought to secure transitional housing, and she was very fortunate to find a program called Hopelink in Washington State that gave her the support she needed to get back on her feet.

Natalie is now back in stable housing, taking care of her children and advancing in her nursing career. She came to Washington, DC, last Tuesday to help make sure no other family has to face the challenges she overcame so bravely.

Unfortunately, not every family gets the support that Natalie's did.

Homeless women veterans and homeless veterans with children are two terribly vulnerable groups that are growing by the day.

Back in my home State of Washington, veterans service organizations and homeless providers have told me they are seeing more homeless veterans coming for help than ever before.

And unfortunately, more and more of these veterans are women, have young children, or both.

In fact, female veterans are between two and four times as likely to be homeless as their civilian counterparts and they have unique needs and often require specialized services.



That is why I introduced the Homeless Women Veterans and Homeless Veterans with Children Act and it is why it's so important that we move quickly to pass it.

My bill would take three big steps forward toward tackling the serious problems facing this vulnerable group.

First of all, it would make more front-line homeless service providers eligible to receive special needs grants.

This would help organizations in Washington State and across the country help support families like Natalie's.

It would also expand special needs grants to cover homeless male veterans with children as well as the dependents of homeless veterans themselves.

And it would extend the Department of Labor's Homeless Veterans Reintegration Program to provide: workforce training, job counseling, child care services, and placement services to homeless women veterans and homeless veterans with children.

It is so important that we not just provide immediate support but we also make sure our veterans have the resources and support they need to get back on their feet.

This is a very personal issue for me.

Growing up, I saw firsthand the many ways military service can affect both veterans and their families.

My father served in World War II and was among the first soldiers to land on Okinawa. He came home as a disabled veteran and was awarded the Purple Heart.

Like many soldiers of his generation, my father did not talk about his experiences during the war. In fact, we only really learned about them by reading his journals after he passed away.

And I think that experience offers a larger lesson about veterans in general. They are reluctant to call attention to their service, and they are reluctant to ask for help.

That is why we have got to publicly recognize their sacrifices and contributions.

It is up to us to make sure that they get the recognition they have earned.

And it is up to us to guarantee they get the services and support they deserve.

This bill passed through the Senate Veterans Affairs Committee with strong bi-partisan support.

Because supporting our veterans should not be about politics, it should be about what kind of country we want the United States to be. And about what our priorities are as a nation.

That is why I am proud to stand here today: for Natalie, her children, and families just like hers across the country.

At this time, with our economy struggling—it is a very tough time, particularly for our veterans who are returning home—the most vulnerable population today is our women because many of the transitional housing and projects for our veterans don't have facilities for women or for women with children or, as a matter of fact, for

men who are veterans coming home to young children.

So this is an extremely important piece of legislation. This had bipartisan support coming out of our committee. I will keep coming to the floor to ask for unanimous consent because I cannot go home and look at someone who served our country with distinction and honor who today is living on the street because the Senate is objecting. I will just let my colleagues know I will keep working on this because it is the right thing to do.

#### RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

#### MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

The ACTING PRESIDENT pro tempore. The Senator from Florida.

#### GULF OILSPILL

Mr. NELSON of Florida. Madam President, I wish to give the Senate a report on the gulf oilspill.

Mother Nature is now developing hurricane and it is very likely within a couple of days of reaching hurricane strength, which is 75 miles per hour or greater, but Mother Nature is smiling on us in that it is going on a more westerly track. It will probably go into the coast at northern Mexico, possibly southern Texas, but it will keep it away from heading into the area to the east of Louisiana where the oilspill is. Of course, if it had gone on that trajectory, then one of the worst nightmares would be that it takes all that oil on the surface, and in the rage of a hurricane, the counterclockwise rotation of the winds would take that right on to shore over the barrier islands, into the bays and estuaries where oil, once contaminating all the marsh grasses, becomes so difficult to get out.

The effects of that we don't know. It could be for years to come, just as we don't know the effects of the subsurface oil that is there, that the scientists have identified, that BP denies, that even some of our Federal officials in NOAA deny. We are waiting on their report. Of course, we won't know the effects of that for years. We have a lot of uncertainty here. But at least for the moment, the hurricane is not bearing down on the oilspill, although let me remind my colleagues that we have a very active hurricane season coming up.

What it is going to do, this first hurricane, is make the seas choppy and the waves large, even that far away. As a result, the skimming operations are going to be thwarted.

That brings me to the topic of the skimming operations.

I am grateful, since the U.S. Navy had identified 27 additional small skimmers that are stationed in ports around the country, that those have now been tasked to come to our inland waterways that are calm waters such as ports so that when the oil comes through the passes, through the inlets and gets into those calm water bays, we will have those skimmers there positioned to try to get it skimmed up before it gets into the marsh grasses. But why did it take so long? Why, of the 27, have only 9 been put on trailers and are on their way to the gulf? Why are the remaining 18 having to go through the legal ramifications, which I understand the law is the law, not to be completed until June 30, which is tomorrow, but why wasn't this done weeks ago? Because people do not have the sense of urgency that we do down on the gulf coast. They are not seeing their lives destroyed and their livelihoods eliminated and their culture completely changed.

Of course, the effects of this for years, with 60,000—now people are finally getting around to acknowledging that it is 60,000—barrels of oil a day gushing into the gulf. It is filling up the gulf. It is affecting us and our way of life.

There are how many States on the gulf? Texas, Louisiana, Mississippi, Alabama, and the big one, with the most coastline, Florida, my native land. How many is that? That is five. The remaining 45 States are not affected. They can see it nightly on the TV. They can rant and rave, and they can see that gusher that continues. It is there on TV for us to see, and we can be mad about that. But unless one lives there and understands the daily effect on people's lives, they can't get that sense of outrage we have. So is it any wonder I have such impatience when five of my counties on the gulf coast have submitted requisition forms for the moneys they have advanced and they still have not been paid? Is it any wonder I have a sense of outrage when I see people lose incomes because cancellations are coming in on a daily basis? Is it any wonder I have a sense of outrage when I see local governments not being able to plan on their budgets because they don't know what their local tax revenue is going to be because of a diminution of business? Is it any wonder those of us on the gulf have a sense of outrage as we see the fear, the trepidation, the anxiety about the future about what their livelihoods are?

I am going down to the White House now to talk about the one thing we can make something good come out of this travesty, and that is the future of trying to wean ourselves from our dependence on oil by aggressively going after

alternative energy sources. I hope out of this tragedy that will be one of the outcomes and that it will be led vigorously. But that sense of outrage I don't see. I am going to try to express it in the next few moments.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

#### REMEMBERING SENATOR ROBERT C. BYRD

Mrs. MURRAY. Madam President, I come to the floor this morning to pay my respects to a most amazing man who the Senate Chamber has lost, Senator ROBERT C. BYRD. It certainly is a sad day for the Senate, for all the people of West Virginia who loved this man so much, and for the entire country, as we mourn the loss of the Nation's longest serving Senator.

ROBERT C. BYRD was a historian, a poet, and he truly was a master of the Senate. We have heard a lot about this remarkable man. A lot of it bears repeating today. He was the longest serving Member in the history of this institution. He had courage. He had humility. He had intelligence. He had a vision that helped lead the Senate for many years. But he also showed us that one can change over time and admit their wrongs and move on and fight for what they believe is right.

His principled stands are what I will remember most about him. I was so proud, back in 2002, to stand with him and a total of 23 Senators who voted against the Iraq war. I will not forget how strong he was, reminding us that as a country we do not have to act out of fear. I was proud to stand with him many times since then, when he would knowingly wink at me and remind us of the 23 who stood tall in the Chamber that day.

His floor speeches were legendary. I remember so many times throughout my tenure with him as he railed on the floor about whatever passion he had at the moment, whether it was his little dog he would tell us a story about or some part of history he wanted to remind us of, always with a point at the end. I remember his compassion as he spoke, and his flailing arms. He always reminded us that we are human beings here. He had a true way with words, and he literally wrote the book on the Senate. Most importantly, he protected this institution from every attack.

To his very last days here he was weighing in on proposed changes to the filibuster rule, a rule he played a central part in reforming three decades ago.

But the true honor of serving with Senator BYRD came from his personal touch. I personally so remember my very first meeting many years ago with Senator BYRD. I came here as a brandnew Senator in 1993. I wanted to serve on the Appropriations Committee, the committee he chaired. It is a very powerful committee. It was a big ask for a freshman Senator coming

in. I was told that in order to get that seat, I would have to call him up and ask for a personal meeting. That was pretty intimidating, coming here brandnew and asking for a meeting with the chair of the entire Appropriations Committee.

He granted the meeting. I remember walking over to the Capitol to his office and not knowing what to expect. I couldn't have known what to expect because, when I walked in, I found this warm, wonderful, cordial human being. He regaled me with stories from his youth and talked about being a coal miner's son and the poverty he grew up in. He showed me his fiddle he was so proud of but that he played no more. He told me poetry he recited from memory. I remember sitting in his office and thinking: I can't believe I am sitting here with a part of history. Then, of course, he grilled me on my stance on the balanced budget amendment and the line item veto before he said: Yes, I would like you to serve on my committee.

I have been so proud to serve on that committee with him ever since. He taught me so much about protocol, about managing legislation, about the rules of the Senate, about respect. Yes, respect was what I think I learned from him most. He was a taskmaster. He believed passionately in the rules of the Senate, but he also believed in working together for the common good.

In the first year I was here, Senator Hatfield, Republican from Oregon, and Senator BYRD were the chair and ranking member on the Appropriations Committee. Senator BYRD called and asked me to come to lunch in his office with a small group of Senators, with Senator Hatfield and myself and several Democrats and Republicans. I was so honored to be asked, and I came over not knowing what to expect. Senator BYRD and Senator Hatfield, a Republican and Democrat, a chair and a ranking member of the most powerful committee, the Appropriations Committee, sat and talked to us about what they felt was being lost from the Senate and that, as new Members, it was our responsibility to return the Senate to. That was respect and listening to each other. They told us in words about how "one year I might be chair," said Senator BYRD, "but I know full well an election will change things and Senator Hatfield will become chair. So we better work together, and we better respect each other, as we put our bills together. Because you never know when you are going to be in the minority or the majority."

Their words were powerful. But even more powerful was sitting there listening to these two gentlemen, a Republican and Democrat, listen to each other, laugh together, have lunch together, and pass on a lesson to those following us about what we all need to be when we call ourselves United States Senators.

Senator BYRD earned many titles over the years: majority whip, major-

ity leader, chairman of the Appropriations Committee. But I know the title he cherished the most was husband. His love of his family trumped everything else.

I so remember one time my husband, who lives out in the State of Washington—as my colleagues know, I travel home every weekend to be with my family—one weekend my husband came out here to be with me. Why? Because it was our anniversary. I was going to be here voting so he traveled here from Washington State and came into the Capitol. As he was coming in, I met him. Senator BYRD happened to be leaving the Senate Chamber. He saw my husband and he welcomed him and said: What are you doing out here in the other Washington? My husband said: It is our anniversary. Senator BYRD said: Well, which anniversary is it?

Rob said to him: It is our thirty-second. Senator BYRD paused and nodded, and he said: That is a good start.

He had been married for 67 years. He was going home to be with his wife. That is a moment I will cherish, because it sets in perspective all that I know about Senator BYRD. He taught by example. He taught by words. He knew humor and how to use it. But most of all, he had respect for every one of us here.

He was a gentleman. He certainly was tough. But he treated everyone with dignity and respect. Everyone here on this floor has been molded by his presence. We have learned so much from him, and he will be missed.

But I know for certain his work and his passion and his spirit will never be gone from this Senate he loved so much, and I know as I walk on this Senate floor, I will try and remember, as he taught me so well, respect of others above all.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. DURBIN. Madam President, how much time is remaining in morning business on our side?

The ACTING PRESIDENT pro tempore. There is 9½ minutes remaining.

Mr. DURBIN. Thank you very much.

Madam President, yesterday I joined Senator MURRAY and others in giving my tribute to Senator BYRD, and I will not repeat my remarks. But I look forward to other Members coming to the floor with their own memories and reminiscences of this great man who served this Nation and the State of West Virginia so honorably for so long and the fact that I was honored to serve with him for 14 years in the Senate.

#### UNEMPLOYMENT BENEFITS

Mr. DURBIN. Madam President, I know an issue that was always important to ROBERT BYRD was the working men and women of West Virginia. If there was one thing that innervated him and inspired him, it was the memory of his youth and growing up in the

most impoverished circumstances where he could not attend college and had to go to work straight out of high school. It was not until many years later that he completed college and law degrees as a Member of the Congress. It was an extraordinary feat to be able to achieve that.

I think of him when I think of the bill we considered last week because it was a bill that tried to help struggling families across America in the midst of this recession. We tried to extend unemployment benefits for those who are out of work across America. The estimates range from 8 million to 14 million Americans—people who had a job and are now out of a job through no fault of their own. There are an estimated five unemployed people for every available job. So it is not a situation, which some have said, where there is a lack of effort on their part. It is a very hard thing to find a job.

I have visited unemployment offices in Chicago, in Springfield, and all over my State and met with these people, many of whom are desperate. They put out their resumes online in an effort to try to get an opportunity for a job and just cannot get any response whatsoever. They spend day after weary day going through the want ads and going through the Internet postings in the hope of finding something.

What we have tried to do is to say to families in this distress: We are going to give you a helping hand so you can survive. That was a major part of this bill. We were going to extend unemployment benefits across America for an additional 6 months, until the end of the year. I wish I could say the economy was turning around more quickly, and it is not necessary, but I think we know better. We know many families without these unemployment benefits just cannot make it.

We had a vote last week on unemployment benefits for unemployed Americans, out of work through no fault of their own, and could not get a single Republican to vote for it—not one. Not one Republican would vote for cloture so we could move to passage of that bill.

There were many things in the bill, but that one hit home this weekend when a friend of mine, a woman whom I have known for a number of years now, called me. I respect her so much. I met her at a drug rehab facility far away from my home in a corner of our State. She had been addicted to crack, but for the last 8 years she has been drug-free. She is a single mom, and she has three children living in her home. One of her daughters has a little boy who is 4 months old.

She called me over the weekend and said: I can't find a job. I keep looking, and I can't find a job. Now they are going to cut off the utilities to my home.

That is the reality of what a vote on the Senate floor means in the real world. I wonder sometimes how some of my colleagues can consistently decide

they are not going to vote to support these American families. I struggle to understand how we can be spending billions of dollars in an effort to rebuild Afghanistan, to try to put these people back on their feet and give them a future, and turn our backs on our own. That is what happened.

This bill had many provisions in it, but that one hit home. There was another one. There was a provision in this bill to send money to the States to help them pay for Medicaid. Medicaid is health insurance for poor and unemployed people. Of course, there are more demands for Medicaid because so many people are out of work. The States are struggling to provide the medical assistance these families need, and many of us believed it was only fair that we in Washington try to help these States through these difficult times by sending this money back to the States.

Not a single Republican—not one—would vote to help us help the Governors in States that are struggling to pay these medical bills for the unemployed and poor in their State. It just strikes me that we have an obligation to our own—to our American family—and that obligation is being ignored by those who vote against it.

During the course of the day and this week Senators from the Republican side of the aisle are likely to come to the floor and ask that specific provisions in that bill pass. They do not want to help the unemployed, they do not want to help provide medical care for the poor and unemployed, but they have tax provisions they want to pass. Some of them I agree with; some of them are very important and valuable to us. But it seems to me only fair that if we are going to consider these provisions, we consider the whole bill.

So as they are making unanimous consent requests to pick out the piece they like in the bill, I will be making a unanimous consent request to pass the bill in its entirety—not just the tax provisions that help families but also help businesses and corporations, but also to make sure we help those who need a helping hand.

I often wonder why the Republicans would oppose helping the unemployed. Traditionally, it has been a bipartisan issue. We have said if a disaster hits some part of our country, we will rally behind that part of our country. It has happened in Illinois. I have come to the floor of the Senate and the House when we have faced a natural disaster, whether it was a flood or a tornado or whatever it happened to be. Colleagues of mine from far-flung places across the United States have said: We will be there to help you because tomorrow may be a day when we need help too. We pitch in together to help one another. Yet when it comes to this bill to help those who are unemployed across America, they resist it. I try to get into the bill to try to understand why the Republicans oppose helping those who have lost their jobs through no

fault of their own, why the Republicans oppose basic health care for people who are in the most dire circumstances.

It turns out that some of it has to do with the tax policy that is in this bill. You see, one of the things we are doing is closing the loophole that allows American businesses to ship jobs overseas. Yes, there are rewards in America's Tax Code for corporations that decide to close down their plants in Galesburg, IL, or in the State of New Hampshire, and move them overseas. It makes no sense. Why would we create tax incentives, financial incentives for American corporations to shut down in the United States and build overseas?

This bill closes those loopholes, and I can tell you, some of the biggest corporations in America are angry about it. They want to have a helping hand to move good-paying jobs overseas. Well, they are not going to get a helping hand from this Senator and a lot of others. Yet there are some on the other side of the aisle who happen to agree with that position.

This bill also has tax incentives to help small businesses. For goodness' sake, if we will ever get out of that recession, it will be because small businesses get back on their feet and hire more people. This is a good bill which the Republicans refuse to support. I do not know how we can go home for the Fourth of July weekend, take a week off afterwards, and ignore the obvious: that while we are at home with our families, other families will be asking themselves basic questions about whether they will have their gas or electricity cut off in their homes.

That is the reality of what we are facing.

I take a look at the estimated number of people who will lose their unemployment compensation because of this vote by the Republicans against extending unemployment compensation, and throughout the month of June it will mean some 80,000 people in my State of Illinois will be losing this kind of help. It is also a fact in States such as California, 255,000 people; Florida, 115,000 unemployed will have their benefits cut off; 40,000 in Indiana; 107,000 in Pennsylvania; 95,000 in New York; 65,000 in Texas; 33,000 in Wisconsin. The numbers are huge in these States. Yet the Republicans refuse to give us one vote in support of moving this forward—this bill to help those who are out of work and create a better environment to create jobs in America.

I often wonder if this is part of some campaign strategy to try to slow down the economic recovery in the hopes that it has some political advantage, but that is a very cynical analysis and I believe most Senators on both sides of the aisle pray that our recovery comes sooner rather than later.

But we need their votes to show it. We need for them to step up and give us the support on the Senate floor to pass this jobs bill, a bill which they defeated last week, without a single Republican supporting it—not one.

Well, many of them have said publicly they want to have another chance to vote on some parts of it, and I am open to the suggestion. But when I look at this bill in its entirety—the tax cuts, the help to small businesses, the closing of these tax loopholes, the help to the States—I think all of these things are an important and timely package of things we need to do across America.

The ACTING PRESIDENT pro tempore. The majority's time has expired.

Mr. DURBIN. Then I yield the floor.

Since I see no Republican seeking time in morning business, I ask unanimous consent to speak for 3 additional minutes, and to extend the same 3 minutes on the Republican side, if they care to use it.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### PROTECTING THE GREAT LAKES

Mr. DURBIN. Mr. President, one of the greatest assets in my part of the world would be Lake Michigan. If you ask the people of Chicago: What do you think is the greatest thing about the city of Chicago, in a recent survey they overwhelmingly responded it is Lake Michigan because it is so beautiful, and we are fortunate to be near it and take advantage of it, using beaches and being out on boats, and mainly looking out the window at this magnificent lake, which I get a chance to do when I go up to the city.

So when the issue of the future of Lake Michigan and the question about whether it is going to be the victim of invasive species comes up, we take it seriously. I do not know how many years ago some people decided a very wise thing to do would be to import into the United States a fish called the Asian carp. So they brought in this Asian carp—and I believe it was in the State of Arkansas, though I do not want to pick on them; I think this is true—and they were going to raise these carp for some reason, and there was some flooding and the carp ended up in the Mississippi River. Now they are all over the Mississippi River and those tributaries leading to it.

Well, if we follow the Mississippi River north from Arkansas and make a right-hand turn north of St. Louis and head up the Illinois River, we are on our way up Lake Michigan. That is the route the Asian carp have been following.

Well, they are all over the Illinois River on their way up to Lake Michigan. These are fish which grow to enormous sizes and suck up everything in sight on which other fish would live. So they are an invasive species that is a danger to other species of fish, and there has been a great fear for a long time they would reach Lake Michigan and change its future as a fishery.

So I joined with Republican Congresswoman JUDY BIGGERT, and we started pouring in millions of dollars 10

years ago to stop this fish. This fish is insidious. It just grows by leaps and bounds and attacks people. Hard to imagine, isn't it? Boaters going down the Illinois River will see these fish jumping out of the river at the boaters. It is a danger. I have seen videos, and I know it is.

This is an aggressive species of fish that can destroy Lake Michigan. So Congresswoman BIGGERT and I built electronic fences that create an electrical shock at points in the river to stop the fish from moving toward Lake Michigan. We have done that twice. We now think we have to do it more. There is a real concern not only in Chicago and Illinois but around Lake Michigan, the surrounding States, about how successful this effort is going to be.

Last week, we continued to fish and look for these Asian carp, and we found one in Lake Calumet, just miles from Lake Michigan. From my point of view, that was a wake-up call. Somehow a fish had reached the other side of the electronic barrier. I do not know if it was dumped in Lake Calumet—we are doing some studies to find out—or whether it migrated there.

Regardless, what I am doing with Senator DEBBIE STABENOW of the State of Michigan is introducing legislation today calling on the Army Corps of Engineers to take a serious, comprehensive look at ways to avoid any contamination of Lake Michigan from this fish.

These studies usually take forever. Senator STABENOW and I are encouraging the corps to move on them very quickly.

Secondly, I have written to the White House and have spoken with the President's Chief of Staff about appointing a coordinator who will try to bring together all the Federal agencies that are dealing with this invasive species, the State and local efforts, and coordinating them to be more effective and focus on stopping this fish moving forward.

We are trying to also increase the amount of money being spent to build fences and more electronic barriers to stop these fish from their migration toward Lake Michigan.

This is critical for us to do for the future of Lake Michigan and the Great Lakes. It is something we have worked on for years. We will continue to work on it. We take it very seriously.

I thank Senator STABENOW for joining me in that effort, and I encourage all the Senators from the Great Lakes area, if they would consider it, to join us as cosponsors.

Madam President, I see the Senator from Missouri has taken the floor on the Republican side. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

### CLEAN ENERGY

Mr. BOND. Madam President, today Members of the Senate will go to the White House to meet with President

Obama on energy legislation. There is general agreement among Republicans that we need to do more to promote clean energy and reduce our dependence on foreign energy sources. We also need real reform of our oilspill protection laws and agencies.

However, today I talk about where we disagree, and that is on the Democratic proposal to impose a national energy tax related to carbon emissions.

The President will try to convince Senators and the public to impose a national energy tax. Of course, he will use fancy terms such as "pricing carbon." But if it walks like a duck, quacks like a duck, then it is a duck, and this duck is an energy tax.

One form the Democratic national energy tax will take is a tax on gasoline, diesel, and jet fuel. Senator HUTCHISON and I just released a new report documenting the size of the gas tax in the Kerry-Lieberman cap-and-trade bill. My colleagues can find it on our office Web sites.

The Kerry-Lieberman cap-and-trade bill includes a \$3.4 trillion gas tax—with a "t." That is an average of \$90 billion a year.

The number is so large because Americans consume a lot of fuel—over 200 billion gallons a year. Putting a price on the carbon in this fuel, as Democrats and President Obama want to do, will impose a massive new tax increase on the American people. You don't have to take my word for it. Anyone can add up the cost of this new gas tax. We used all publicly available government information, such as the fuel consumption data from the U.S. Energy Information Agency and carbon pricing estimates from the Environmental Protection Agency. The rest is just simple addition and multiplication—multiplication and multiplication—combining how much fuel we will use with the carbon tax rate they propose.

The \$3.4 trillion figure is based on EPA's estimates of future carbon prices. By law, as proposed by Kerry-Lieberman, the gas tax could be as high as \$7.6 trillion if carbon prices hit the price ceilings in this bill.

Kerry-Lieberman's \$3.4 trillion total gas tax will include a \$1.9 trillion gasoline tax on families, workers, and small businesses, a \$1.1 trillion diesel tax on farmers, truckers, and businesses, and a \$425 billion jet fuel tax on airline passengers.

Of course, politicians do not want to admit they support a new multitrillion-dollar gas tax. They use code words such as "pricing carbon" or "requiring the purchase of allowances."

They also try to take advantage of the current disasters, such as the gulf oilspill, to impose a new gasoline tax. I say we should be punishing BP, not the American people, with a new gas tax. A gas tax will not stop the oil from leaking, it will not clean up the oil that has been spilled, and it will not do anything to restore the environment in the coastal areas where that oil will hit.

To quote an MIT economist highlighted this week:

People are kidding themselves to believe that penalizing carbon will significantly shrink oil imports or the need for offshore drilling.

EPA's recent analysis of Kerry-Lieberman confirms this, showing that U.S. fuel consumption would decrease by only ½ percent by 2050.

All we do with a new gas tax is take trillions of dollars from American families and workers with no real impact on our oil dependency. In fact, the thing that has slowed gasoline consumption in the United States has been the recession. When people are out of work and businesses are not selling and work is not being done, then consumption goes down. Is that how we want to reduce dependence on foreign oil and reduce pollution? I say not.

Sponsors say a portion of these funds is going to the highway trust fund. However, this bill sends less than 2 percent of its value to the trust fund, or only a few billion dollars per year by my calculations. Even that will end in 2040.

Sponsors also point to their refund program where they claim they will give back two-thirds of the carbon tax revenues the government will take in. How many trust the Federal Government to return tax revenue to us once they get their tax-and-spend fingers on it? They have schemes that will send that money to politically favored groups. That is what has happened in the past, and that is what will happen in the future.

While they give back two-thirds of the revenues, the government still keeps one-third of the tax. One-third of a \$3.4 trillion gas tax means American families and workers, even if they got it back on a fair pro rata basis—which nobody believes they will—Americans will still face \$1.1 trillion in net new taxes from the gas tax.

You know something funny must be going on when big oil actually supports this bill. You heard me right; big oil supports this bill. BP, Shell, and ConocoPhillips actually helped draft Kerry-Lieberman. Do my colleagues know why they did that? They are not worried about a tax on gasoline because they know every single penny will be shifted to the consumers with their profit margins added. It may not be a bad deal for the gas and oil companies, but it is a bad deal for all of us as consumers.

Big oil knows they can pass most of the new tax on to consumers, so they are not worried about it. But Senator HUTCHISON and I remain deeply worried about families, farmers, truckers, small businesses, and fliers who will pay this \$3.4 trillion gas tax.

There is a better way. We can come together on new incentives for hybrid and electric cars, nuclear power, advanced fuels such as cellulosic ethanol and biomass, and even higher fuel efficiency standards for vehicles. But what we should not do is punish American

families, farmers, workers, and businesses with a \$3.4 trillion gas tax.

I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. VITTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. UDALL of New Mexico). Without objection, it is so ordered.

#### UNANIMOUS-CONSENT REQUEST— H.R. 5569

Mr. VITTER. Mr. President, I come to the Senate floor once again to ask all of my colleagues to come together, Democrats and Republicans, as Americans to do something we should have done weeks ago: reauthorize the National Flood Insurance Program.

The National Flood Insurance Program is a vital, necessary program to provide flood insurance to our citizens around the country to help protect their homes and property. Yet it was allowed to expire on June 1. So for almost a month, we have not had a national flood insurance program.

What does that mean? That means there have been thousands of real estate closings that have been held up, unable to move forward. There are thousands of first-time and other home buyers who want to go to their closings, who are excited about everything that means, but because of politics up here, because of that getting stuck in the mud—even though substantively it should be completely noncontroversial—they cannot go to their closings, and all of this in the midst of an extremely serious recession. We should never allow this sort of lapse in the program, but when unemployment nationally is almost 10 percent, when we need every real estate closing we can get our hands on to help move the economy along and to try to get it to a better place, this is the last moment we should allow this program to expire.

As we all know, this reauthorization has been held hostage, and there is no more accurate way to describe what has been going on. It is completely noncontroversial. It is completely motherhood and apple pie. For that reason, it was taken hostage and put in the so-called extenders bill, which, overall, was very controversial and which had a lot of objectors, particularly because it balloons deficit and debt significantly—by tens of billions of dollars. I have asked several times over the last several weeks for that gamesmanship to stop, for the hostage to be released and for us to pass on a bipartisan basis the extension of the National Flood Insurance Program on its own.

That was rejected. Over those several weeks, one version of extenders after another was also rejected. There were four, maybe five different versions of

that bill which came to the Senate floor, and none of them achieved the required 60 votes to move forward. So the necessary extension of the National Flood Insurance Program languished for days and then weeks and now almost a month.

With so many versions of the so-called extenders bill failing, let's just get back to doing the right thing on this vital program. Let's take this specific measure—the reauthorization of the National Flood Insurance Program—and pass it into law. The House has already done that. The Democratically controlled House has done exactly that—passed a full reauthorization through the end of the fiscal year. So let's take their bill and pass it and solve this problem and allow these closings to happen, give a little boost to the economy when we need every boost we can get. Certainly, people in the real world across America support that. As evidence of that, I ask unanimous consent to have printed in the RECORD a letter of strong support that the Senate take immediate action on H.R. 5569, which is signed by many different real estate and related business organizations that want to see those crucial real estate closings resume again.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 25, 2010.

Hon. HARRY REID,  
Majority Leader,  
U.S. Senate, Washington, DC.  
Hon. MITCH MCCONNELL,  
Minority Leader  
U.S. Senate, Washington, DC.

DEAR MAJORITY LEADER REID AND MINORITY LEADER MCCONNELL: We respectfully request the Senate take immediate action and approve H.R. 5569 that passed the House of Representatives yesterday and would reauthorize and extend the National Flood Insurance Program (NFIP) through September 30, 2010.

The flash floods this year that inundated Oklahoma City, ripped through the Southwest and damaged residences from Montana to Tennessee are a grim reminder of the threat posed by flooding. Furthermore, the NFIP is the only protection for Gulf Coast property owners who face the threat of flooding by oil-tainted water as a result of the massive leak in the Gulf of Mexico.

The NFIP protects 5.5 million Americans. Unfortunately, no new policies have been offered to property owners who need coverage since the program expired on May 31, 2010. This is the third time this year Congress has allowed the NFIP to expire. The timing of this latest expiration—a day before the start of the hurricane season on June 1—could not have been worse for coastal residents and impaired real estate markets.

While we agree with many members of Congress the NFIP is in need of meaningful reform, America's property owners depend on this important federal program administered with the help of the property casualty insurance industry. Since the program expired, those who need insurance can't get it. Those who have it can't increase coverage. And anyone trying to buy property that requires federal flood insurance is out of luck—creating yet another disruption in a struggling real estate market.

Every day of delay in reauthorizing the NFIP contributes to the confusion and risk

for families in the real world. The purchase of a new flood insurance policy in general carries a 30-day waiting period before it goes into effect (except for real estate transfers), so even if Congress acts today, a property owner seeking coverage could be without coverage well into July.

A long term extension is vital to provide needed certainty to homeowners and small businesses that depend on the program for flood damage protection, to protect our residential and commercial real estate markets from serious harm during a very difficult economic time, and to provide stability for the companies and agents that sell and administer the NFIP policies to millions of consumers across the country. We respectfully request that you act now and pass H.R. 5569 TODAY—homeowners and businesses across the country simply cannot wait.

Sincerely,

American Hotel and Lodging Association, American Insurance Association, American Land Title Association, American Resort Development Association, Building Owners and Managers Association, CCIM Institute, The Chamber Southwest LA, Credit Union National Association, Financial Services Roundtable, Greater New Orleans Incorporated, Independent Community Bankers of America, Independent Insurance Agents and Brokers of America, Institute of Real Estate Management, Mortgage Bankers Association, National Apartment Association, National Association of Federal Credit Unions, National Association of Home Builders, National Association of Realtors, National Multi-Housing Council, National Association of Mutual Insurance Companies, Property Casualty Insurers Association of America.

Mr. VITTER. Again, the National Flood Insurance Program has universal bipartisan support. This extension does not increase the deficit. It is not a spending and debt issue. It has only been taken hostage in these larger battles over other matters. Let's release this hostage and do the right thing.

I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5569, which was received from the House—this bill extends the authorization of the National Flood Insurance Program until September 30—that the bill be read a third time and passed and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. And I will object at the end of this reservation.

We had an opportunity to pass flood insurance last week, and not a single Senator from Senator VITTER's side of the aisle would vote for the package because it provided unemployment compensation for 1.2 million Americans who are out of work, including 10,000 in the State of Louisiana. I believe for that reason the Republicans voted against it. They did not want to extend unemployment benefits. Flood insurance was in there, and they wouldn't vote for it. So after I object, I will offer a unanimous-consent request, and the Senator from Louisiana

will get a chance to pass flood insurance as part of the entire package. So I object to this unanimous-consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. VITTER. Mr. President, reclaiming my time, here we go again—the same old gamesmanship. Through the Chair, let me correct my distinguished colleague from Illinois. The reason that bill was objected to by all Republicans, as well as some Democrats, was not the extension of unemployment insurance. If that is his understanding, let me explain to him, through the Chair, that his understanding is completely wrong. In fact, I have stood here on the Senate floor and suggested a UC to separate that part of the bill as well and to pass it. But the objection of many Senators, including mine, is the ballooning of the deficit and the debt, which every single version of that bill did by tens of billions of dollars, the original version by approximately \$180 billion.

So, Mr. President, my distinguished colleague's understanding is exactly wrong, and here we go again. My distinguished colleague and his leadership on the Democratic side have had multiple opportunities to attempt to pass a version of this bill—four or five versions; I have lost count. Each and every time, they did not get the necessary votes, including not getting certain Democratic votes.

So can we finally, after going through that exercise, after allowing the National Flood Insurance Program to lapse for almost a month now, can we finally do the right thing and pass this noncontroversial program on its own, as Speaker PELOSI and the Democratic majority in the House have done?

Mr. DURBIN. Will the Senator from Louisiana yield for a question?

Mr. VITTER. Certainly.

Mr. DURBIN. Mr. President, I want some clarification because I thought I heard the Senator say something. Is the Senator saying that if we offer a separate measure on the floor which reauthorizes the National Flood Insurance Program—and let's add in there, for example, this \$8,000 home buyer credit we have talked about for more real estate closings, the extension of the home buyer credit, which was passed on the floor—and unemployment compensation as an emergency expenditure, is the Senator from Louisiana saying he would vote for that package?

Mr. VITTER. If that package is paid for. I will be happy to produce all of the pay-fors. I will be happy to produce ways to responsibly pay for that package. If that package is handled responsibly that way, absolutely yes.

Mr. DURBIN. Then we are still at loggerheads because unemployment compensation has been offered as emergency spending throughout this recession, and now I am not sure where the Senator's pay-fors would come from, but that creates a problem.

Mr. VITTER. To reclaim my time, they have been offered over and over. I will be happy to offer them. There are ways to solve that problem. But in the meantime, can we pass a necessary program, the cessation of which is holding up real estate closings all around the country and hurting an already ailing economy when we are experiencing almost 10 percent unemployment?

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I am going to make a unanimous-consent request, I notify my colleague from Louisiana. This unanimous-consent request will extend and reauthorize the National Flood Insurance Program, the reason he came to the floor. It includes the provisions that are also part of the earlier discussion about the extenders package. It is a lengthy list and many of these are traditional annual reauthorizations of a number of provisions in the Tax Code that encourage research and development, the development of biofuels, and that sort of thing.

It also includes, for the record, \$33.7 billion in emergency spending to extend unemployment compensation benefits to the end of the year. It would help 10,700 residents of the State of Louisiana who currently are being cut off from unemployment compensation. It includes \$16 billion, paid for, that is going to be given to the States to help them deal with the costs of Medicaid in this recession. It has the provision in there for the so-called Medicare doc fix and a number of other provisions.

I am going to give the Senator from Louisiana an opportunity to extend the National Flood Insurance Program by agreeing to the following unanimous consent:

I ask unanimous consent that the Chair lay before the Senate the Message from the House on H.R. 4213, the American Jobs and Closing Tax Loopholes Act; that the Senate move to concur with the House amendment to the Senate amendment to H.R. 4213 with the Baucus amendment No. 4386; that the motion to concur with an amendment be agreed to and the motion to reconsider be laid upon the table with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. VITTER. Mr. President, reserving my right to object and I will object in a minute. I guess this exchange is at least useful because it illustrates the gamesmanship that is continuing to go on. My distinguished colleague is giving me this opportunity. My distinguished colleague is holding a gun to my head, trying to say you have to vote to balloon the deficit, trying to say you have to vote for other irresponsible action if you simply want a necessary program for your State and the Nation, which does not cost anything in terms of increased deficit spending, to move forward. I thank my distinguished colleague for holding the



gun to my head for that wonderful opportunity, but I reject it and I think the American people reject it, so I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DURBIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ISAKSON. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### REMEMBERING SENATOR ROBERT C. BYRD

Mr. ISAKSON. Mr. President, I come to my seat today on the floor of the Senate to take a few minutes to share my thoughts on the late Senator ROBERT BYRD and his tragic death a few days ago. I come with a perspective different than those who served with him for decades because this is my first term in the Senate. I was elected in 2004.

In our caucus, which then was in the majority, we were asked to take responsibility for presiding, just as the current Presiding Officer is doing today. The day I picked was Friday mornings, not knowing we would not be here on a lot of Friday mornings except for a normal business session. But I did it on every Friday morning. For 2 years I presided over the Senate from about 10 in the morning until about 12:30 in the afternoon.

Friday morning is the day ROBERT BYRD would come to the floor of the Senate and share and reshare some of his great speeches. I was here to listen to the entire speech on the tribute to mothers on Mother's Day. I heard him, oftentimes, talk so wonderfully about his lovely wife. I heard him talk about the Roman Empire, its rise and its fall. I heard him make speeches on the rules of the Senate, the details that no one in this room could ever come close to.

But, for me, the most important contribution of the Senator from West Virginia was the fact it didn't matter how experienced you were or what your party was, if you had a question on the rules of the Senate, you could go to the seat of Senator BYRD and you could get an answer that you could put in the bank. He loved sharing his knowledge. He loved the institution of the Senate. He never saw it from a partisan standpoint, he always saw it from a traditional and an institutional standpoint.

There will be a lot of great tributes paid to Senator BYRD over the next few days and they will all be well deserved. I certainly share in the sympathy that all extend to his extended family for this tragic loss. But many in this Senate today and many who served in the years since he was first elected have benefited from the wisdom and "gentleman-ness" that ROBERT BYRD rep-

resented. He is a tradition in the Senate. He is a tradition in the State of West Virginia. He will be missed, but I will be forever thankful to ROBERT BYRD for what he took the time to share with me, to help me understand the ways of the Senate. He truly was a Senator's Senator and I extend my sympathy to his family and the people of West Virginia on the tragic loss of this great Senator.

I yield the floor.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

#### SMALL BUSINESS LENDING FUND ACT OF 2010—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to H.R. 5297, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of H.R. 5297, a bill to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, as we continue the important work of the Senate this week on a number of important bills, one of them being the small business package that is before this body now, we are always mindful, as we come to the floor with the beautiful flowers on Senator BYRD's desk, of the great loss we are all experiencing. His colleagues here and in his home State of West Virginia, the Nation and, as you know, many people around the world are mourning the death of a great Senator, a very well-known Senator, a very well-respected Senator, and a very historic figure.

So as we all do our work today, it is with heavy hearts that we work. I told my staff today walking into the building, it seems so empty and particularly quiet, and it is because of the great respect this Senator enjoyed in his life and now enjoys in his death.

But as even Senator BYRD would say if he were here, the work of the Senate, which he loved very much, needs to go on because it is the work of the people in a very special way. It is in that spirit that I come to the floor to briefly talk about a bill we are attempting to move to.

It is a major piece of legislation. It has three distinct components. It has been in shape and in the works for many months now. A part of this bill has come out of the Small Business Committee. I am extremely proud, as

the chair of that committee, that the package we have contributed has been built on strong, solid bipartisan support. In fact, many of the provisions came out of our committee 17 to 0 or 17 to 1 or 18 to 0. We have had tremendous cooperation on the part of my ranking member, Senator SNOWE, who has been to the floor several times in the last couple of weeks, joining me in talking about the importance of focusing the congressional efforts and Congress's efforts on small business, on Main Street.

We have spent a lot of the last year and a half dealing with the big companies, the big companies on Wall Street, the big banks, the big insurance companies, the big health care companies. We have had to deal with it because it has been in a state of crisis where Wall Street was going to collapse, the financial structures were collapsing. We had to act quickly. The health care tragedies or stresses were clearly visible, and we had to work our way through that. But now it is time for this Congress, at this time, this summer, to focus on small business, because these are the businesses on the front line of the battle against this recession. And this is a battle. It is a battle to end this recession, to fight and win our way back to prosperity. Much of this can be accomplished if we would focus on the businesses in our neighborhoods, on Main Street, on the farm-to-market road, the small business owners driving those pickup trucks, delivering supplies and equipment all over America, in urban areas and in rural areas.

We would be very much helped if we could get our minds and our hearts on them, because they are going to be the ones that lead us out of this recession. Small firms created 65 percent of all new jobs from 1993 to 2009. It was true in the early 1990s. It was probably true if you would go back to the 1980s, probably true in the 1970s. It is true today. Job creation is not going to come 1,000 jobs at a time. It comes one at a time, two at a time, or three new jobs in small businesses all over America.

What we do here on tax policy, on strengthening the Small Business Administration, on freeing up capital for them, is going to make the difference between whether this recession comes to an end. So I am pleased about the work that has been done.

A portion of our bill has come through the Small Business Committee. A portion of the bill has come through the Finance Committee. I have to take my hat off to the Senator from Montana, MAX BAUCUS, and his ranking member, Senator GRASSLEY, former Chairman GRASSLEY, from Iowa. They have worked nonstop and overtime on a number of bills that have to do with our Tax Code. But they have set aside this special time for their committee to work on tax relief, tax extensions, tax relief for small businesses to add to this package.

So it is a portion of tax cuts and tax relief for small businesses that is so

important, to strengthen the Small Business Administration programs that we know have been effective, not just throwing money at government programs but targeting the government programs that we know work because we have studied them, and we have gotten reports from not just the government bureaucrats—and there are many good ones here—but we have been hearing from businesses: Senator, this works for me. Can you get us more of it? That is what this bill is about.

Then finally there is a piece that has come from the leadership, from the President himself, from the White House, through the Treasury Department, to say: What can we do to leverage some assets of the Federal Treasury to create a \$30 billion lending pool, not for the big banks—they have gotten enough of our money and enough of our attention, as far as I am concerned—but the small banks on Main Street. There are 8,000 of them. They are the ones that need a little help, a little financing to help them, not on their bottom lines in terms of their stability because they are quite stable. I am extremely proud of our small banks around this country that did not go belly up. They are strong. They have money to lend. We want to give them some additional funding to lend.

I am proud that the Independent Bankers Association has sent us a letter, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ICBA and 28 STATE COMMUNITY BANK ASSOCIATIONS URGE PROMPT PASSAGE OF SMALL BUSINESS LENDING FUND BILL

WASHINGTON, DC, (June 15, 2010).—The Independent Community Bankers of America (ICBA) and 28 affiliated state associations sent a letter to House Banking Committee Chairman Barney Frank (D-Mass.) and Ranking Member Spencer Bachus (R-Ala.) today urging prompt passage of the proposed Small Business Lending Fund Act of 2010 (H.R. 5297). ICBA said that the \$30 billion in capital provided by the Small Business Lending Fund (SBLF) could help community banks provide as much as \$300 billion in additional small business lending.

“On behalf of ICBA’s nearly 5,000 members and our state partner community banking associations, we strongly support the proposed Small Business Lending Fund and urge prompt passage of this important legislation,” said Camden R. Fine, ICBA president and CEO. “The nation’s 8,000 community banks are well-positioned because of their established relationships with small businesses in their communities to use the fund to get credit flowing.”

Under H.R. 5297, interested banks with less than \$1 billion in assets could receive capital investments up to 5 percent of their risk-weighted assets, and those with between \$1 billion and \$10 billion in assets could receive up to 3 percent. The SBLF has important incentives to encourage greater small business lending by reducing the dividend rate community banks pay on the capital as they increase their lending.

“ICBA firmly supports the central purpose of the program to spur further lending to small businesses by means of community banks,” said Jim MacPhee, ICBA Chairman

and CEO of Kalamazoo County State Bank, Schoolcraft, Mich. “We applaud the new program’s focus on getting funds to Main Street small businesses using Main Street community banks. We urge all members of Congress to vote for H.R. 5297.”

Ms. LANDRIEU. The Independent Community Bankers Association has sent to Senator SNOWE and me a strong recommendation. They say: On behalf of 5,000 members and our State partner community banking associations, we strongly support the proposed Small Business Lending Fund, and urge prompt passage of this important legislation. The nation’s 8,000 community bankers are well positioned because of their established relationships with small businesses in their communities to use the funds to get credit flowing.

Under the proposal that is being brought to the floor today, banks with less than \$1 billion in assets could receive capital investments up to 5 percent of their risk-weighted assets, and those with between \$1 billion and \$10 billion in assets could receive up to 3 percent.

We know community banks are the ones that small businesses do go to, some with more success than others, and that is a speech for another day. But I do know there are a number of bankers who say: Senator LANDRIEU, Senator SNOWE, we want to lend to our small businesses, and if you can help us with a few things, we could do a better job.

In addition, we also know that small businesses use their credit cards for capital. We also know our small businesses go to family members. They dig into their own savings to find the money needed to initiate or support their business. We also know they go to their uncles and aunts. Financing through family members has been a traditional way that small business owners use, and credit unions.

So everything we can do now—we cannot have a relief to the great uncle and aunt bill. That is a little bit out of our reach. But we can help our small banks, our small business agencies. We can look hard on credit card companies and their practices and make sure they are doing right by businesses. We are trying to do all of that one step at a time.

Let me take a minute or two to explain a few pieces of this bill. This is one of the most important components. This chart is startling. Two of the most important programs that SBA operates are the 7(a) and 504 loan programs. These are the loan programs that all of the Federal Government—these are the programs that focus most directly on small business loans in America. They allow a 90-percent guarantee and allow the waiver of fees.

We did this, when the recession started, so a small business could go into a bank and say: I have got a great idea. I want to expand; even though my neighborhood is a little bit in the doldrums, and even though my product is not in great demand today, I think it

will be in the future. Can I have a loan? And the bank officer says: Well, we do not quite have money for you. But let me look in the 7(a) program. They can get a 90-percent loan backed up by the Federal Government, and these loans can be made without fees.

This is how low we were in 2008. We were only down to \$200 million in loans back in 2008. You can see through the recession how low this was. When we acted, we acted back here in 2009 and started doing some increased guarantees, reducing the fees. It worked. We spiked the number of loans up to almost \$1.2 billion.

But as you can see, Congress’s actions have a direct effect on this lending to small business. Look here. Now we are down below where we were 2 years ago. This bill will move this number back up, and this bill will help this number stay up. This represents thousands of loans to small businesses, without which they cannot create the jobs that we need and the country needs to get us out of the recession. This is a very important component of our bill. I am very proud of that component.

One more chart we will show. This is a startling chart. I have used this several times. I hope people understand the potential for growth. There is real potential here.

Right now in America, 1 percent of small businesses export. Think about that. We are only 4 percent of the world’s population, so 96 percent of everybody else lives somewhere else. The market is very big outside of America, although we are a very important market. So we can help our small businesses learn to be better exporters. With the Internet, now it becomes so possible for them to export products, with first day, short delivery times, all on-time delivery from airplanes, trains, trucks that can deliver products everywhere. Plus, there are so many ideas now with services. The small business here that has a great idea on the Internet, it becomes a great idea in Vietnam or in Korea or a country in Africa. They can sell those products. So this bill does a great deal, with Senator SNOWE’s help, where she did pioneering work in this area to help us give technical assistance to more small businesses and help them become experts on exporting so they can keep the money, the profits, and the jobs right here at home.

My colleague has been good about waiting, but I wanted to share a few of the aspects of this important bill. We are going to be voting I hope today at about 2 o’clock or so. We hope to get the 60 votes necessary to move to this package.

As a manager of this package, I can say Senator BAUCUS as well, we are open to amendments people might want to have to perfect it. But we believe this is a very good, solid package to bring up. It is time that we focus on the small businesses of America. They deserve our best efforts between now

and the end of the year or as long as it takes. They have not gotten the attention they deserve. So if we can get 60 votes, we may not be able to get all our work done this week, but we believe in the next couple of weeks we can get the work done on this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

#### GULF OILSPILL

Mr. LEMIEUX. Mr. President, yesterday I had the opportunity to be in Pensacola, FL, to look at the impact the oilspill is having on my home State of Florida. I went out in the morning and walked on the beach and saw, unfortunately, the oil that has spewed across our beautiful beach in Pensacola, one of the most beautiful beaches in the world. Not only did I see the scattering of droplets of oil across the beach first thing in the morning, I also saw what I will call not just tar balls but tar rocks—rocks the size of grapefruit that had emulsified, almost petrified, and found their way to the shore.

Later in the day, I also took another trip to the beach to the place where we get naturally occurring tidal pools just a few feet from where the ocean meets the coastline. In those pools, I could see oil that had seeped into the sand. Now we are to the point where the oil is seeping into the sand faster than it can be cleaned up. The fear is, as the sand washes over that oil, it will be buried and we will continue to discover it for months and perhaps years on end. What effect it will have on the beaches and our ecosystem is unknown.

This spill has been going on for 71 days. Throughout this time, I have been calling upon greater Federal response to this tragedy in the gulf—most importantly, the need to have more skimmers off of our shoreline. Amazingly, we have not deployed the full panoply of assets we have in this country to protect our beaches, to protect our coastal waterways, to protect our estuaries. One would think every skimmer in the United States would be in the Gulf of Mexico. One would think every foreign skimmer that has offered assistance would be deployed off our shores. But one would be incorrect in thinking that because it is not the case.

When I met with the President 2 weeks ago today in Pensacola, I urged him to bring more skimmers to the gulf coast. At that time, we had about 32 skimmers off the coast of Florida. That number fell to 24 shortly thereafter. It is now, according to the State of Florida, up to 89, according to the incident report today. That is an improvement. The Feds say there are 130. The State number and the Fed number have never matched, so somewhere between 89 and 130 skimmers are off the coast of Florida.

We believe there are about 400 skimmers in the Gulf of Mexico alone. That number may sound like a lot, but when one thinks of an area going all the way from Louisiana to Panama City, FL,

we look out on the beach, and we don't see a single one.

How many skimmers are available to be deployed? We found out last week there are skimmers remaining. As of June 21, in the United States, there were 2,000 skimmers remaining. It sounds as if that is in addition to the 400 in the gulf right now. From Texas, district 8, through the Florida, Georgia, South Carolina district, which is district 7, there are 850 skimmers in whole or in part not being deployed. That makes absolutely no sense.

I have been calling for weeks now for this government, this administration to sign an Executive order releasing all skimmers in the United States to come to the Gulf of Mexico to clean up the oilspill.

When I talked about this issue with the President, I said to him: We need to get all these skimmers now. If there are 2,000, they need to be in the gulf. They need to be steaming toward the gulf now. There should be an armada of skimmers off the beaches of Florida, Mississippi, Alabama, and Louisiana.

The response I got was: Some of these skimmers have to stay in place in case there is an oilspill.

That is like saying: We can't send a firetruck to your house because there may be a fire burning someplace else. That is not much solace to you if your house is burning down.

There is some good news. We have found out that as of yesterday, the Department of Homeland Security and the Coast Guard, along with the Environmental Protection Agency, have issued an emergency order. The order is signed by Admiral Papp from the Coast Guard and Lisa Jackson, Administrator of EPA. It is a temporary suspension of certain oilspill response time requirements to support the Deepwater Horizon oilspill, the urgently needed immediate relocation of nationwide oilspill response resources to the Gulf of Mexico. It also calls upon the Navy, with which I met earlier last week, to release assets it has.

There are legal restrictions that require these skimmers to be in certain places around the country if there is a certain amount of traffic—for example, commercial traffic, the ports, or whatever. We need to keep skimmers in place. This order, which we have been calling on for weeks, releases those skimmers. It says it is done because there is an urgent need. It is not so urgent when we do it on day 70. It is welcomed, but it wasn't done urgently. It says, on page 9 of this order, that this was done in response to a memorandum Admiral Watson of the Coast Guard did on June 16 saying there was an urgent need to reallocate skimmers. I am glad to see that because that is the day after I met with the President in Pensacola. I am glad the President got the word out to the Coast Guard and got them to start working on this order. We got it done. So we hope we will now see skimmers from around the country making their way to the gulf.

I have a list today of these 2,000 skimmers and where they are located. I am going to come to the floor every day we are here and track these skimmers to make sure they are getting where they need to go. It is only through efforts by myself and others in the Senate who have called this out, who have said: Where are these skimmers, that we have gotten the sense of urgency to get them there, albeit not so urgently when it has taken 70 days. That is the issue of the domestic skimmers. Help is on the way. The rule has been signed. We are appreciative of that. We will see if those skimmers make it there anytime soon. We need them there because the oil is washing up on the shores. It is not only oil washing up, it is failure. It is failure because these skimmers were not in place earlier.

I wish to talk about a second topic, which is international assistance. I came to the floor last week with a picture of this vessel, the Swan. It was offered on May 6 to the United States from a Dutch company, Dockwise. It had the capacity of soaking up 20,000 tons of oil a day, nearly 6 million gallons of oil a day. The Federal Government never got back to this Dutch company. Instead, an American ship was used. We are glad to see that. We want American ships used. But that ship only had one-twentieth the capability of this ship. My response is, use all of them. Use every one we can. Our country in our goodness is the first to respond when there is a disaster someplace else. Whether it is a typhoon, an earthquake, America, through the goodness of the hearts of our people, goes forward and gives help. When other countries are offering us assistance, even when we have to pay for it, we should be taking it. This ship never got used. How much oil would have been sucked up by the Swan if it was in the gulf doing its job? How much oil would have been off the beaches of Florida, Alabama, Mississippi, and Louisiana if this ship was doing its job? This is an emblem of an opportunity missed. Now this ship is no longer available.

There were something like 56 offers of assistance from foreign countries and associations, and only 6 were accepted by the government. They tell us the Jones Act—a law that prohibits foreign flag ships—is not the reason we are not getting these ships in. They tell us the Jones Act only applies to 3 miles in, coastal waterways. Therefore, it is no prohibition to bringing these ships in. One, that is not what these folks think because they didn't get their ship in, and two, I don't care what the reason is, whether it is the Jones Act or some other law, these ships should be here. This is not a Republican issue or a Democratic issue; this is an issue of competence. These ships should be there.

Let me show you the next ship we have a chance at, and hopefully we won't mess this up. The Swan was a

very big ship. This ship is aptly named "A Whale." It is the world's largest skimmer, if reports are correct. It is making its way from Virginia to the Gulf of Mexico. The skimming capacity of this ship is at least 250 times that of the modified fishing boats currently attempting to skim the gulf. This one ship can skim as much as 250 of the skimmers that are in the gulf now in a single day. The vessel's capacity is sufficient to draw in as much as 500,000 barrels of oil. The Swan could do 20,000 barrels. This is 500,000 barrels of oil per 8- to 10-hour cycle. This is the mother of all skimmers. It is like the size of an aircraft carrier. We do not know yet whether this ship is going to be allowed in the gulf to skim up oil. It is beyond belief, it is beyond comprehension that we would not use this ship and ships like it to get the job done.

I will be doing everything I can to make sure A Whale or any other ship of this size can be in the Gulf of Mexico to help us. We want the domestic assets. We want the small skimmers we have now. The ones coming from the Navy can fit on the back of a truck or fit in a plane or on a railcar. They are small. We are happy to have them, but they pale in comparison to the size of A Whale, reportedly the world's largest skimmer. I ask the President, why aren't we letting this ship in the gulf to skim up the oil? It is beyond belief. It is beyond comprehension.

I will continue to come to the Chamber every day we are here to talk about this issue, about foreign ships that can help, about domestic ships being deployed, until we stop the oil from spilling on the bottom of the gulf, until we clean up all the oil that is in the gulf right now. It is impacting the lives of Floridians. When I was in Pensacola yesterday and talked to everyday Floridians, I could see the anguish in their eyes. I could see the stress and hear it in their voices. People move to Florida because they love the water. Ninety percent of Floridians live within 10 miles of the water. They have more recreational boaters than any State in the Union, more coastline than any State in the continental United States. It is part of our way of life. Every resource available should be used to keep this oil from coming ashore.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. KAUFMAN. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. KAUFMAN are printed in today's RECORD under "Morning Business.")

IN PRAISE OF EILEEN HARRINGTON, LOIS GREISMAN, ALLEN HILE, STEPHEN WARREN, CAROLYN SHANOFF, AND LAWRENCE DEMILLE-WAGMAN

Mr. KAUFMAN. Mr. President, I wish to talk about some other great Federal employees. Many of the great achievements I have hailed from this desk con-

cern grand challenges relating to our national security, domestic tranquility, or our economic recovery. Today, I wish to recognize a team of highly skilled, highly motivated Federal employees whose achievement has positively affected the daily lives of average Americans.

In 2003, six outstanding employees of the Federal Trade Commission worked together to implement the National Do Not Call Registry. Americans used to be plagued—I can remember it always seemed to happen around dinnertime—by telemarketer solicitations, which always seemed to come just when you least wanted them. The six men and women I am honoring today brought relief to families across the country by implementing the Do Not Call Registry. Led by Eileen Harrington, the team consisted of Lois Greisman, Allen Hile, Stephen Warren, Carolyn Shanoff, and Lawrence DeMille-Wagman. They all brought to the table a strong background in a number of fields, including law, marketing, and business.

The FTC's Do Not Call Registry launched 7 years ago this week quickly became a hit. Within the first 4 days, 10 million Americans registered their phone numbers. Just a year after it launched, a poll found—this is incredible—91 percent of adults had heard of the registry and—can you believe it—over half had already signed up. When Eileen and her team won the 2004 Service to America medal for citizen services, the registry had nearly 60 million numbers. That was in 2004. Today, that has risen to over 150 million.

To turn a good idea into a great program, the team spent several months designing and implementing the Do Not Call Registry as part of the FTC's rulemaking process. It required the participation of many at the Consumer Protection Bureau, the Economic Bureau, and the General Counsel's Office. Information system experts and legal minds worked closely together with senior executives, and they were joined by financial analysts and congressional relations staff. Once the policy had been crafted, there was a period of public comment, which saw over 64,000 suggestions on how to improve the registry, many of which were adopted in the final program.

In the 7 years since the Do Not Call Registry was launched, it has become one of the most successful government programs in terms of the number of Americans it has affected positively in such an incredibly short period of time.

I am also proud to share with my colleagues that all of the members of the FTC's "do not call" team are still serving in the Federal Government.

Eileen Harrington remained at the FTC for a few years and in 2009 was appointed as the Chief Operating Officer for the Small Business Administration.

Stephen Warren served as Chief Information Officer at the FTC until 2007, when he moved over to the Department of Veterans Affairs as Principal Deputy Assistant Secretary for Information Technology.

Lois Greisman leads the FTC's Division of Marketing Practices within the Consumer Protection Bureau, and her responsibilities include enforcing the rules against telemarketing fraud and online investment schemes.

Also with the FTC's Bureau of Consumer Protection is Carolyn Shanoff, who today serves as the Associate Director for Consumer and Business Education. In this role, she has been instrumental in the fight against identity theft.

Allen Hile and Lawrence DeMille-Wagman are also still at the FTC. Allen serves as Assistant Director, and Lawrence works as an attorney.

We are all very fortunate that accomplished men and women such as these choose to stay in government and continue working on behalf of the American people. I hope my colleagues will join me in recognizing the great work of the FTC "do not call" team and thanking them on behalf of all Americans for their important work. They are all truly great Federal employees.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I thank the Presiding Officer, and I thank the Senator from Delaware for those comments in his weekly update on Federal employees and the great job they are doing. In the Health, Education, Labor, and Pensions Committee, we know quite a few of them who are doing outstanding work, even something that would surprise America; that is, cooperation between agencies that is outstanding. So I thank the Senator for his efforts.

## RECESS

Mr. ENZI. Mr. President, as under the previous order, I ask unanimous consent that the Senate stand in recess.

There being no objection, the Senate, at 12:22 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. BEGICH).

## SMALL BUSINESS LENDING FUND ACT OF 2010—MOTION TO PROCEED—Resumed

### CLOTURE MOTION

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant editor of the Daily Digest read as follows:

### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 435, H.R. 5297, the Small Business Lending Fund Act of 2010.

Harry Reid, Debbie Stabenow, Dianne Feinstein, Mark Begich, Jeff Merkley, Bernard Sanders, Carl Levin, Edward E. Kaufman, Mark L. Pryor, Richard J.

Durbin, Frank R. Lautenberg, Jeanne Shaheen, Daniel K. Inouye, Barbara Boxer, Roland W. Burris, Sherrod Brown, Mary L. Landrieu.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 5297, the Small Business Lending Fund Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 66, nays 33, as follows:

[Rollcall Vote No. 202 Leg.]

#### YEAS—66

|            |            |             |
|------------|------------|-------------|
| Akaka      | Franken    | Mikulski    |
| Baucus     | Gillibrand | Murray      |
| Bayh       | Grassley   | Nelson (NE) |
| Begich     | Hagan      | Nelson (FL) |
| Bennet     | Harkin     | Pryor       |
| Bingaman   | Inouye     | Reed        |
| Bond       | Johnson    | Reid        |
| Boxer      | Kaufman    | Rockefeller |
| Brown (MA) | Kerry      | Sanders     |
| Brown (OH) | Klobuchar  | Schumer     |
| Burris     | Kohl       | Shaheen     |
| Cantwell   | Landrieu   | Snowe       |
| Cardin     | Lautenberg | Specter     |
| Carper     | Leahy      | Stabenow    |
| Casey      | LeMieux    | Tester      |
| Collins    | Levin      | Udall (CO)  |
| Conrad     | Lieberman  | Udall (NM)  |
| Dodd       | Lincoln    | Voinovich   |
| Dorgan     | Lugar      | Warner      |
| Durbin     | McCaskey   | Webb        |
| Feingold   | Menendez   | Whitehouse  |
| Feinstein  | Merkley    | Wyden       |

#### NAYS—33

|           |           |           |
|-----------|-----------|-----------|
| Alexander | Crapo     | Kyl       |
| Barrasso  | DeMint    | McCain    |
| Bennett   | Ensign    | McConnell |
| Brownback | Enzi      | Murkowski |
| Bunning   | Graham    | Risch     |
| Burr      | Gregg     | Roberts   |
| Chambliss | Hatch     | Sessions  |
| Coburn    | Hutchison | Shelby    |
| Cochran   | Inhofe    | Thune     |
| Corker    | Isakson   | Vitter    |
| Cornyn    | Johanns   | Wicker    |

The PRESIDING OFFICER. On this vote, the yeas are 66, the nays are 33. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

All time is yielded back. The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 5297) to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I ask unanimous consent to speak as in

morning business for no more than 5 minutes on the occasion of the passing of Senator BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Ms. MIKULSKI are printed in today's RECORD under "Morning Business.")

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURRIS). Without objection, it is so ordered.

Mr. REID. Mr. President, it is my understanding the matter before the Senate is the bill that was just announced a few minutes ago; is that correct, the small business jobs bill?

The PRESIDING OFFICER. H.R. 5297 is the pending bill.

#### AMENDMENT NO. 4402

(Purpose: In the nature of a substitute)

Mr. REID. On behalf of Senators Baucus and Landrieu, I call up their substitute amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. BAUCUS and Ms. LANDRIEU, proposes an amendment numbered 4402.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

#### AMENDMENT NO. 4403 TO AMENDMENT NO. 4402

(Purpose: In the nature of a substitute.)

Mr. REID. I have a first-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4403 to amendment No. 4402.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

#### AMENDMENT NO. 4404 TO AMENDMENT NO. 4403

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4404 to amendment No. 4403.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 236, line 24:

Strike "one" and insert "five".

#### AMENDMENT NO. 4405

Mr. REID. I have an amendment to the bill at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4405 to the language proposed to be stricken by amendment No. 4402.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end, insert the following:

"The provisions of this Act shall become effective three days after enactment."

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

#### AMENDMENT NO. 4406 TO AMENDMENT NO. 4405

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4406 to amendment No. 4405.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the amendment, strike "three days" and insert "10 days".

#### MOTION TO COMMIT WITH AMENDMENT NO. 4407

(Purpose: In the nature of a substitute)

Mr. REID. I have a motion to commit with instructions at the desk.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to commit H.R. 5297 to the Committee on Finance with instructions to report back forthwith with amendment No. 4407.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4408 TO AMENDMENT NO. 4407

Mr. REID. I have an amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4408 to the instructions of amendment No. 4407.

Mr. REID. I ask that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective two days after enactment.

Mr. REID. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4409 TO AMENDMENT NO. 4408

Mr. REID. I have a second-degree amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4409 to amendment No. 4408.

The amendment is as follows:

In the amendment, strike "two days" and insert "immediately".

Mr. REID. Mr. President, in jest, I said to my Republican friends that I had kind of practiced this because we hadn't filled up the tree much at all. I say that seriously. We have had an open process here. You can compare it to what went on in the previous Congress, and it has been very open. I hope we can get into an amendment process. We will go back and forth. We will try to have some amendments that will strengthen this bill. This is a bipartisan bill, as indicated by the vote that took place to get us to this. The Republicans were given this amendment last night. They have had ample opportunity to look it over. If they have things they want to do to try to improve it, we on this side of the aisle want to approach this on a bipartisan basis. This is a jobs bill to create jobs where most jobs are created, by small businesses, as 85 percent of all jobs are created by small business. That is why we are here focused on this today. I hope this doesn't become a partisan exercise. It should not. The Small Business Committee has operated for a long time on a bipartisan basis. SNOWE was

chairman, LANDRIEU was the ranking member. Now it is just the opposite. Senator BAUCUS and Senator GRASSLEY have always worked on a bipartisan basis. I hope we can move forward on this matter.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, Winston Churchill once said:

A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.

The great recession has been a difficulty, to say the least.

Today we are looking for the opportunity.

One opportunity—and our first priority—is to create new jobs.

This is no easy task. Over the course of the great recession, more than 8 million jobs have been lost. But we must not shy away from this opportunity.

The first step Congress took to create jobs was to pass the Recovery Act in February of 2009. In their latest report on the Recovery Act, the non-partisan Congressional Budget Office reports that the Recovery Act has added 1.2 to 2.8 million people to America's payrolls.

And in March, Congress passed the HIRE Act. The HIRE Act includes a payroll tax exemption for new hires. That act will help to bolster job creation in the coming months.

These actions are working. In April, we learned that the economy added 290,000 jobs. And while we added fewer jobs than expected last month, May marked the fifth consecutive month of job growth. Since the beginning of 2010, the American economy has created more than half a million jobs.

We are also beginning to see economic growth. Just a year ago, in the first quarter of 2009, the economy was shrinking at a rate of 6.4 percent. In the first quarter of this year, however, the economy grew at a rate of 3.2 percent.

This was the third consecutive quarter of growth after four straight quarters of decline.

In just 1 year, the economy went from freefall to sustained growth.

These signs are encouraging. But we still have work to do.

Mr. President, 15 million Americans remain unemployed. The national unemployment rate is still near 10 percent. The Congressional Budget Office does not expect unemployment to reach its "natural state" of 5 percent until 2016.

Plainly, we must act. We must work to create jobs.

In America, the private sector is the backbone of innovation and job creation. And within the private sector, small businesses are the principal engine of job creation.

Over the past 15 years, small businesses have generated two-thirds of all new jobs. That is about 12 million new jobs.

But the great recession hit small business especially hard. Over the

course of the recession, small firms have accounted for 64 percent of net job losses.

We need to focus on small business, as we seek to create jobs. When we help small businesses, we help to get Americans back to work.

The first way that we can help small business is by promoting access to capital.

Today, only half of small businesses seeking a loan are able to get the credit that they need, and nearly a quarter receive no credit at all.

Compare this to 2005, when 90 percent of small employers had their credit needs met, and only 8 percent were unable to receive credit at all.

It is clear that small businesses are facing major obstacles to getting capital.

That is why our small business bill includes a provision to completely eliminate the tax on the sale of certain small business stock purchased this year. This proposal would provide a powerful incentive to invest in small, entrepreneurial firms, right now.

We have also included a provision that would allow small businesses to carry back for 5 years their unused general business tax credits from this year. That is quite a bit. Current law is 1 year.

And we have included another provision that would allow certain small businesses to use these general business credits against the alternative minimum tax. These provisions would free up business capital for expansion and job growth.

And another provision would temporarily shorten the holding period of assets after a C corporation converts to an S corporation. This provision would allow small businesses to increase liquidity by selling assets that would otherwise be subject to an additional layer of tax.

We can also help small businesses by stimulating investment. Small businesses need to make capital investments to improve and expand.

One way to boost investment in equipment is by increasing the amount and types of property that small businesses can write off immediately, rather than expense over time. In this weak economy, the ability to deduct the costs of assets in the year that they are incurred provides an immediate benefit for small businesses.

Our bill also includes an extension of bonus depreciation. This provision would help small businesses that purchase equipment to write off those purchases more quickly. The proposal would also help the businesses that sell the equipment. Bonus depreciation sparks investment, increases cash flows, and creates jobs.

Our small business bill also includes two provisions to promote fairness and protect small businesses from costs that could slow business growth and development.

First, the act modifies the penalties for small businesses that unknowingly



invest in something that the IRS considers to be a tax shelter. Businesses can be subject to penalties of up to \$300,000 for investing in a tax shelter. A penalty that large can severely jeopardize the success of a small business. Our bill would limit the penalty in relation to size of the investment.

Our bill also promotes fairness by allowing business owners to deduct against self-employment tax the cost of health insurance in 2010 for themselves and their family members. Current law does not permit the self-employed to deduct the cost of health insurance for themselves and their family members in calculating self-employment tax. But health care for employees receiving coverage through an employer is generally tax free. So our bill would put the self-employed on a more equal footing.

Our small business bill includes provisions aimed at promoting entrepreneurship. According to a recent report, from 1980 to 2005, nearly all net job creation occurred in firms less than 5 years old. In fact, without startups, net job creation would have been negative almost every year for the past three decades.

As our economy emerges from the great recession, we need to ensure that American entrepreneurs have the resources, the financing, and the opportunities they need to create jobs and realize their dreams. Our bill would help promote entrepreneurship by temporarily increasing the amount of startup costs that could be deducted. This would free capital that could be used to invest in other aspects of business.

Our bill would devote more than \$5 million to the U.S. Trade Representative to expand opportunities for U.S. small businesses in foreign markets. This would help American goods and services to reach new customers around the world, this would create jobs right here at home, and this would help the USTR to enforce our trade agreements to ensure American startups can compete on a level playing field.

Our bill is all paid for. No deficit spending here—all paid for. Our bill would reduce the tax gap, promote retirement preparation, and close tax loopholes.

Today, we must find opportunity in a difficulty. The great recession has been a major difficulty for American workers and small businesses, but we can seize a major opportunity by helping small businesses and getting Americans back to work.

I urge my colleagues to support this important small business jobs bill.

#### NATIONAL FLOOD INSURANCE PROGRAM

Mrs. HUTCHISON. Mr. President, I would like to speak in morning business about the National Flood Insurance Program and talk about the importance of extending the National Flood Insurance Program as a tropical storm—that could be a hurricane—is growing in the Gulf of Mexico and moving toward my home State of Texas.

We all know the Gulf of Mexico has had a lot of trauma, and the people who live all along the gulf have suffered quite enough. Now we have a situation in which tropical storm Alex is gaining strength off the coast of south Texas. Winds are gusting upwards of 70 miles per hour, and it could reach hurricane strength at any point. Texas communities from Padre Island to Matagorda Bay are under a hurricane warning. The National Weather Service is calling for up to 20 inches of rain in some parts of our State and is warning communities to brace for life-threatening flash floods and mud slides.

However, at this very time, thousands of Texas homeowners are left vulnerable to the damage this storm could wreak on their homes and property. Why? The National Flood Insurance Program lapsed at the end of May, which means homeowners are currently unable to take out new policies. Allowing a lapse in federally backed flood insurance is unacceptable at any time, but the failure to extend it at the outset of hurricane season is unthinkable.

The very purpose of the National Flood Insurance Program is to make sure coastal residents and other flood-prone communities can purchase reliable, federally backed flood insurance. The program allows homeowners to purchase flood insurance policies in areas where private insurance is hard—and in some cases impossible—to get.

Since residents in some areas are required to have it in order to close on home purchases, many gulf coast families cannot close on mortgage contracts. My Houston office received 200 calls yesterday from people who were in the process of closing on homes which required flood insurance protection to be shown before they could close, and they cannot get the flood insurance because it is not available out of the private sector and this program has lapsed. Today, it is the Federal Government that is standing in the way of these people being able to close on a contract.

Because of previous devastating storms, including Hurricanes Katrina and Rita, the National Flood Insurance Program has incurred billions of dollars in claims and is in an economically tenuous position. I have supported legislation to revise and update this program. It needs to meet the demands of today while still providing access to flood insurance coverage to Americans living in floodplains—Americans who are trying to do the responsible thing. They are trying to purchase insurance. It is not available in the private market, and we need to have that kind of opportunity for people to be able to purchase their own insurance for them to be able to close on homes, of course, and to be able to protect themselves from damages. These are people who do not want to have to file claims against the Federal Government. They want to be able to purchase their own insurance and know they have it.

In 2008, I, along with an overwhelming majority of my colleagues in the Senate, supported the Flood Insurance Reform and Modernization Act of 2007. Unfortunately, despite big support in the Senate and in the House, our two Chambers failed to resolve our differences. Therefore, it has operated in limbo ever since, surviving only in short-term extensions.

Now there is a bill to extend the National Flood Insurance Program through September 30. It has been approved in the House and was sent to the Senate. It is currently being held up.

My colleague from Louisiana, Senator VITTER, offered a unanimous consent request this morning to bring up this House bill, pass it in the Senate, and send it to the President. It would have extended the flood insurance program until September 30 so that people could buy insurance, know they would be covered, be able to close on their homes, and be able to get coverage while we continue to hammer out the differences in a long-term extension of the program.

Unfortunately, there was an objection raised to the House bill going through the Senate. It is so important that we do this. I asked the reason for the objection. I asked one of my colleagues on the other side: Why was this objected to?

The answer was: Is it more important than the tax extenders bill?

I cannot say it is more important because we do need to extend unemployment insurance, but they are not mutually exclusive. We can do one or the other; we can do both. There is no objection to the substance of the bill. No one on the other side of the aisle objects to the bill. They just want to pass the extenders package. We want to pass the extenders package too. We want it to be paid for.

We can do this. It is so important and so timely. It is timely because people are not able to close on contracts. Mortgage companies are saying: Our hands are tied. You have to show that you have this flood insurance to close, and there is no flood insurance available on the private market. The National Flood Insurance Program has not been extended.

This is one that Congress can resolve. We are going to be here for a few more days this week. We can do this. I implore my colleagues: Please, let's unanimously consent to letting this bill go through. The House has passed it unanimously.

A hurricane is headed right now for the Gulf of Mexico. It is time to allow our responsible citizens who want to purchase flood insurance to be able to do so in a responsible way.

We certainly need to modernize the National Flood Insurance Program, and I will work tirelessly to make that happen. But with a storm approaching right now, we need to extend this program until the end of the hurricane season. We do not want people to have

to flood into the government after the fact when they are desperate, not knowing if they are going to get coverage. We do not want them to have to come to the Federal Government and ask for claims to be processed. Let them cover themselves so they can deal with the issue, knowing exactly what their coverage is. That is not too much to ask for the residents of the gulf coast.

I hope the majority leader and the majority will work with us to begin to address this issue in a timely way. The House has passed this bill unanimously. I urge my colleagues in the next 2 days to please allow the National Flood Insurance Program to be extended until September 30, a bill that has unanimously passed the House and surely should be able to go through the Senate since there is no substantive objection to this bill.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. STABENOW. Mr. President, when I think of Senator BYRD and all of our great memories of him, it reminds me of how important it was to him to understand what people are going through in their lives—in this economy, certainly. I know if he were here, he would be on the floor, speaking about the importance of helping people who have lost their jobs—people who, through no fault of their own, have gotten caught in this economic tsunami, who find themselves maybe one step away from losing their house after they lost their job, probably lost their health insurance. Maybe they are in the midst of foreclosure right now because they lost their job and cannot pay their house payment.

These are families who are counting on us to understand, as Senator BYRD always did, what it is like to be a middle-class family, a working family, where the breadwinner has lost their job or the breadwinner can no longer bring home the bread—the food, gas for the car, pay the electric bill—because they have lost a job.

We know there are five people today looking for every one job that is available. That used to be worse. It used to be six people looking for every one job. We are beginning to see things turn. When President Obama took office, as we know, we were losing about 750,000 jobs every month. By focusing on the recovery, by investing in people, by investing in making things in this country, by focusing on job training as well as helping people without jobs, we have been able to turn that around. There were zero jobs lost at the end of the year and now we are gaining jobs.

But even though it is turning around, we are still in a situation where we

have five people, five Americans who are looking for every one available job. The e-mails and the phone calls I get truly are heartbreaking. They are from people who have worked all their lives. These are not people who, as some have said, are lazy. These are people who have worked hard all their lives and they have done nothing but play by the rules—take care of their families, followed the law, put a little bit aside to send their kids to college. They want to have a good American life, what they have worked hard for as their American dream.

Unfortunately, because of a lot of factors in the global economy—too much, in the last decade, of folks paying attention to cheap prices and not American jobs and losing jobs overseas, not enforcing our trade laws or not focusing on making things here in this country—we have a situation where people have lost their jobs. Then, when you add to that what happened on Wall Street—where people lost savings, pensions, 401(k)s, and maybe their job; when credit dried up and small businesses could not get loans or manufacturers couldn't get the help they needed—people found themselves in a disastrous situation through no fault of their own.

They did not create the Wall Street crisis. They were not the ones who decided whether to enforce our trade laws. They weren't the ones to decide whether we as a country were going to invest in American manufacturing. But they are taking the brunt of it.

We have talked for 8 weeks now, 8 weeks to pass a bill that is a jobs bill, to invest in jobs in the economy and to continue help for people who are out of work through no fault of their own. Boy, they hope it is temporary. They surely hope it is temporary and we hope it is temporary.

Despite 8 weeks and a tremendous amount of negotiation, we have not been able to get the votes to stop a filibuster. We have come up short every time. I am hopeful this week we will be able to get beyond that. The people in Michigan are desperately hopeful. They are also desperate. They are also angry that we have not been able to get beyond this partisan wrangling to be able to actually help them keep a roof over their head and keep food on the table for their families. We will have another opportunity, I hope this week, to change that. It is absolutely critical that we do.

There are a lot of people who are not down in the weeds about what is going on legislatively; are not following closely what is happening here—but they know this: They know they need help. They want to know who is on their side and who is willing to understand and come forward and appreciate what families across this country are going through. I hope this week we are going to be able to say to them that finally this Senate gets what is happening to families and we are going to extend the temporary assistance that

has been needed for so many families through unemployment insurance.

Mr. ENSIGN. Mr. President, I rise to talk about an amendment Senator KERRY and I will be offering as an amendment to the small business jobs bill. This amendment is to correct something we do not want the IRS enforcing right now. Senator KERRY and I have 72 Members who have cosponsored our bill that we will be offering as an amendment. There is overwhelming bipartisan support for this. I thank Chairman BAUCUS and Ranking Member GRASSLEY for committing to work with Senator KERRY and myself to get this issue addressed.

The need for the amendment is based on a little-noticed provision that was added in 1989. It has to do with cell phones and similar devices that are treated as what the IRS has known as "listed property," along with computers and automobiles. As a result, employees and employers must keep detailed records of all calls made on their employer-issued cell phones, indicating whether they are personal or business related, or have the value of the phone included as taxable income. This law is a good example of the Government attempting to micromanage the economy and why they shouldn't. Government is not good at keeping up with the private sector.

Twenty years ago, cell phones were bulky, they were cumbersome and expensive, they were the size of a brick and weighed almost as much. When given by businesses to employees, they were considered to be an executive perk or a luxury item and were often hardwired to the floor of a car.

During the past 20 years, of course, cell phones and mobile communications devices have become incredibly small and cheap, and their use has skyrocketed. Cell phones and other mobile communications devices are now part of daily business practices at all levels. As a matter of fact, they are part of almost every American's daily life. They are an extension of the office for many employees and everyone recognizes the real motivation of employers is being able to call their employees at any time and at any place. The cost of providing coffee per employee today is likely higher than the per-employee cost of a cell phone or personal device. The mobile cell phone amendment updates the tax treatment of cell phones and mobile communications devices by repealing the requirement that employers maintain these overly burdensome, detailed usage logs. Outdated tax laws such as this must be updated to reflect 21st century realities, and this bipartisan amendment would do exactly that.

This is a small but important measure that we should be able to enact today to help small businesses, nonprofits, colleges, and employees use today's technology for business without interference from yesterday's regulation. This proposal was included in the President's budget, and if you need

more reasons to vote for this bill, talk to the Internal Revenue Commissioner, Doug Shulman, who released a statement that supports repeal of the current IRS cell phones reporting rules.

In his statement Commissioner Shulman states that:

The current law, which has been on the books for many years, is burdensome, poorly understood by taxpayers, and difficult for the IRS to administer consistently.

Let me quickly summarize what we are doing. Basically, everybody who gets a cell phone from their employer, we don't want them to pay tax on that cell phone as some kind of a perk. If you think about how bills are paid today with cell phones, you have a monthly usage charge. You don't get charged per cell phone call as it used to be in the old days when cell phones were very expensive. People buy plans per month, so many minutes you get with those plans. For virtually everybody who gets a cell phone from a company, that is the way those plans are purchased today. We need to simplify the Tax Code. This is a very minor provision but an important provision because you don't want, all of a sudden, when you are going back through an IRS audit, to have to go back years and years and go through every one of your cell phone records and determine whether that was a personal phone call, was this a business phone call, and what percentage now, and having to figure all that out.

This is a simplification of the Tax Code. It is the right thing to do. It is a very simple thing to do. As soon as the amendment process is figured out, we will be offering this as one of the first amendments to the small business tax bill.

Once again, it has been a pleasure working with my colleague Senator KERRY on this bill.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KAUFMAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, the Senator from Nevada, Mr. ENSIGN, spoke a few moments ago about the amendment we hope we can consider shortly, the Kerry-Ensign amendment on cell phones. That amendment deals with when an employer gives a cell phone to an employee. The question is, Is that compensation to the employee or is that an investment by the employer? Under current law, the IRS expects taxpayers to document how much they use the company's cell phone for business and how much they use it for personal use. I think most people don't keep these records. Frankly, most of my colleagues don't believe they should have to. This amendment says businesses should not have to bear this

onerous recordkeeping burden anymore. It is a commonsense amendment. It has broad bipartisan support. I urge colleagues to support it at the appropriate time.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

(The remarks of Mr. CONRAD are printed in today's RECORD under "Morning Business.")

Mr. CONRAD. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. HAGAN). The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Madam President, I wish to address my colleagues for a few minutes about the pending legislation that was recently introduced by my chairman and friend, Senator BAUCUS of Montana. This bill is targeted at creating jobs by providing targeted relief to our Nation's job engine, and that happens to be small businesses.

Our Nation is currently facing challenging economic times, as we have now for about 20 months. While there have been some signs of improvement, such as the recent growth of our gross domestic product, job losses continue to mount and many hard-working Americans are struggling to make ends meet. According to our Bureau of Labor Statistics, around 8 million jobs have been lost since our economy officially slipped into recession in December of 2007. The unemployment rate is currently 9.7 percent, which is simply an unacceptable level.

Small businesses in particular have been hit hard, with most job losses being attributed to businesses with fewer than 500 employees. According to the ADP national employment data, from December of 2007 through May of this year, small businesses with fewer than 500 employees saw employment decline by 6.4 million, while businesses with 500 or more employees saw employment decline by 1.66 million. According to this data, small businesses—those with fewer than 500 employees—accounted, then, for nearly 80 percent of the decline in employment during that period of December 2007 through May 2010.

The lack of job creation continues despite aggressive actions taken at the Federal level to stabilize the economy. This includes the enactment of the TARP bill, also the \$800 billion stimulus bill, and more recently a bill we termed the "HIRE Act." However, these bills were all missing a critical ingredient for spurring job creation; that is, substantial tax relief targeted at small businesses. The reason for that is most small businesses hire or do not hire according to what their cash flow is. When taxes are high, there is less cash flow or when tax policy is in

a state of flux, as right now—what is it going to be this year because of sunsets this year—that uncertainty causes businesses not to be as aggressive as they normally might be in hiring.

While President Obama and my Democratic colleagues agree that small businesses create 70 percent of the jobs in our economy, less than one-half of 1 percent of the stimulus bill was tax relief for small businesses—in other words, not putting the money where it would do the most good.

The HIRE Act, which the Democratic leadership sold as a so-called jobs bill, did not fare much better in providing tax relief to our Nation's job engine. There was only one provision directed solely to small business tax relief. That was a provision I supported that increased expensing equipment purchased by small businesses. But it is a very small provision, and it only gave small businesses what they have already been getting for the last couple of years. That provision was only \$35 million out of a \$21 billion bill.

With the recent introduction of the small business tax relief bill, it looks as if this body is finally starting to get serious about tackling unemployment through a true jobs bill, compared to previous stimulus or jobs bills promoted by the majority.

This small business bill has a rather modest cost of about \$12 billion to \$15 billion. It is targeted at job creation by providing small businesses incentives to invest in new equipment, expand their operations, and ultimately hire new employees.

The bill includes provisions that would encourage businesses to invest in new equipment and real property by increasing the amount of capital expenditures small businesses can expense. For equipment, the amount that can be expensed is increased to \$500,000, and for real property it is \$250,000.

Moreover, it encourages investment by providing additional first-year bonus depreciation. It promotes entrepreneurship by increasing the amount allowed as a deduction for startup expenditures. It would increase access to capital by allowing 100 percent of gain from investment and qualified small business stock to be excluded from income and taking the general business tax credit out of the alternative minimum tax for sole proprietorships, for flowthroughs and nonpublicly traded C corporations with \$50 million or less of annual gross receipts. It also increases access to capital by extending the 1-year carryback for general business credits to a 5-year carryback for small businesses.

Finally, the bill promotes small business fairness by limiting harsh penalties that have been imposed on small businesses by the IRS and equalizing the tax benefits for health insurance that self-employed individuals may receive to those received by employees.

While this small business bill would go a long way in informing small businesses Congress is very serious about

reducing the burdens imposed on them, many businesses continue to struggle and will not hire new employees simply because it is the stated policy goals of Congress.

According to the most recent survey from the National Federation of Independent Businesses—and we refer to that organization around here as the NFIB—when businesses are asked what the single most important problem facing their business is, the No. 1 answer is lack of sales, but this is closely followed by taxes and then by government regulation and redtape.

I have a chart here from the most recent NFIB survey listing the top problems facing small businesses, and you can see there, as I said, that first is poor sales; secondly, taxes; and then government regulation and redtape being the hindrances to small businesses expanding to create the jobs small businesses can create. Consequently, you can see tax policy is very important because, as I said, small businesses tend to operate out of cash flow to a greater extent than companies with equity and stock.

The small business community is currently being strangled by a climate of uncertainty. Whether we are speaking about cap and trade—some people refer to that as cap and tax—that will drastically increase energy costs or about health care reform that will require small businesses to offer health benefits that will increase the cost of labor or about the call for tax increases on so-called wealthy taxpayers earning over \$200,000, that will largely fall on the backs of small businesses. Whether you are talking about any of these three—or more that I could mention—there is a great deal out there that causes small businesses to stop and think of whether now is the time to expand and hire new workers.

Taxpayers earning above \$200,000 are frequently identified as coupon clippers by many of my friends on the other side of the aisle. A disproportionate level of business activity is attributable to small businesses owned by that group, and we have a chart here that shows evidence of this linkage. This chart is based upon Gallup survey data showing that over half of the larger small businesses—the ones with the good share of the workforce—are controlled by taxpayers who are targeted by the other side's marginal rate hikes. Twenty-seven percent of the medium-sized small businesses are controlled by taxpayers targeted by as much as a 17-percent marginal rate hike.

The owners of the smallest of the small business community are also affected. You see from the chart that it provides an example of how a fairly typical small business owner would be impacted by the increase in just the two marginal tax rates, which is the proposal of the President and I assume something we are going to be dealing with between now and the end of the year because everything sunsets on December 31. And I can tell you that no-

body wants to be out there campaigning this fall with the largest tax increase in the history of the country happening without even a vote of the people and particularly as it is going to hit middle-income taxpayers.

So you have this possibility whether it is Congress legislating, in the higher tax brackets, higher taxes or whether it is just the tax increase going into effect without a vote of Congress. You can see here in the charts that a small business owner who is married and has two children, who has \$500,000 in taxable income could see a \$19,600 tax hike. That is a 13-percent increase in taxes.

One way Congress can try to put some certainty back into the lives of small businesses and entrepreneurs is by dealing with the unfinished tax legislation business. As this chart shows—and I think I brought this chart to the floor at least four times in the last 3 weeks I have been addressing this issue of taxes—there are four major pieces of legislation dealing with expired or expiring tax provisions that have yet to be addressed by this Congress, meaning between now and adjournment this December.

I have talked about this unfinished tax legislation business several times over the past few weeks, but I cannot stress enough how important dealing with these time-sensitive matters is for the business community because one of the reasons they are not hiring is because of the uncertainty that is out there—what is Congress going to do and when are they going to do it? Without certainty in tax policy, businesses are unable to plan for the future, and many businesses are in a holding pattern waiting to see what Congress will do. So it is quite obvious this is very bad for the economy and it will not be an environment for job creation. The list of unfinished tax legislative business includes everything we have here, but I will mention them: the tax extenders, which are overdue by over a half year; it also includes the alternative minimum tax patch; another area is the death tax; and the final area is the 2001 and 2003 tax rate cuts.

I am going to discuss that policy today and its implication for small businesses because until we get small businesses confident of the future and willing to spend money and invest, we are not going to create jobs. And that is a big void that is out there—not that this Senator is the only one saying so. Many Senators on the other side, including the leader of the Senate, have said that 70 percent of new jobs are created by small businesses.

As important as the AMT patch and the death tax are, they are dwarfed by the impact of this fourth package of expiring tax provisions—the 2001 and 2003 rate cuts. This was a bipartisan tax relief package. I get so tired of people talking about the Bush tax cuts from the standpoint that it was an entirely Republican-driven effort with no support from the other side of the

aisle. There were a large number of Senators in the then-Democratic minority—which soon became a majority because of the switching of one Senator from a Republican to a Democrat—who helped push through this bipartisan tax relief enacted in 2001.

Under statutory pay-as-you-go, the amount permitted in this area by the budget of last year is about \$1.4 trillion. It covers about 80 percent of extending all the marginal tax rates and family tax relief from the 2001 and 2003 bipartisan plans. That number makes sense because the bipartisan tax relief plan cuts taxes for virtually every American family who pays income tax.

How significant and how widespread is that tax relief, you may ask. This chart, drawn not by Republicans or Democrats but by the Congressional Budget Office data, sheds some light on that very point I bring up. In other words, the significant and widespread tax relief is very dramatic for most Americans.

The line above measures the effective tax rate paid by the top 5 percent of taxpayers. What is significant about that 5 percent is this is where the small business owner tax hit occurs. This group roughly represents those taxpaying families with incomes over \$250,000. Under the Democratic leadership's budget, this line will go back up to where it was in the year 2000. So you can see where the white vertical line goes is where we were in the year 2000. And this is also where the President's budget and the statutory pay-as-you-go regime would take the raise.

People on my side of the aisle—Republicans—believe this significant tax increase will be a mistake. We hope we will be able to debate this policy in the House and Senate, in committees and on the floor. That was, after all, the process we followed when the bipartisan tax relief plans were passed in 2001, 2003, and 2005. We will point out, as we did then, that the tax increase falls primarily on the backs of small businesses.

Data from the Joint Committee on Taxation—and these are the non-partisan official congressional scorekeepers on tax issues the way the CBO is on spending issues—shows that 44 percent of the flowthrough business income will be hit with the increase in the top two tax rates proposed by the President and the Democratic congressional leadership. A lot of this income is concentrated in the larger small businesses I have referred to here earlier, particularly those of up to 500 employees.

This hits small businesses particularly hard since most small businesses are organized, as I have said, as flowthrough entities. So it will increase taxes on a single small business owner who makes more than \$200,000 per year even if they plow all their income back into their small business to keep paying their workers or hire additional workers.

The top marginal rate on small business owners will rise by almost 17 percent. Democrats and Republicans agree that small businesses are the key job creators of the past and the future. President Obama correctly pointed out that small businesses create 70 percent of the new jobs.

The rest will also hit investment hard. The top capital gains rate will rise by 33 percent. The top dividend rate could nearly triple. All of this is set to occur, not at some far distant future point, it occurs about a half year from right now.

We all hope the economy is on a path to recovery, but does this heavy tax increase on small business owners and investment ever make sense? Even the most liberal Members on the other side might wonder whether it makes sense. Do we think the private sector will grow if we hit small business investors this hard 6 months from now? And think of the uncertainty between now and then. They are not going to do anything.

I remember that this President, between his election and January 20 when he was sworn in, decided that going into a recession—or by then in a recession—even though he campaigned on a promise of increasing taxes on higher income people, it was not the right thing to do at that time of a recession.

Last December the President had some of us down to talk about jobs, helping turn the economy around, getting people hired. When he called upon me I offered him that same advice that he decided by himself 12 months before, that being in a recession was no time to increase taxes. We were in a recession still in December of 2009, as we were in December of 2008, and we still have 9.7 percent unemployment. The President could help the economy if he would announce, as he did before being sworn in, that even though I campaigned on a platform of increasing taxes on higher income people, now is not the time to do it. But he seems inclined to increase taxes, even though it is detrimental to job creation, particularly job creation by small business.

You can see, then, that the bipartisan tax relief brought, at the time we passed it, the effective rate down with respect to the bottom 95 percent of the taxpayers as well. That is the bottom line of my chart right here. So it was a tax cut across the board for almost every American. I stress this because some of my colleagues on the other side of the aisle may be thinking to themselves: Sure, this is true for income taxes. But what about other Federal taxes, such as Social Security, which make up a large percentage of taxes paid by lower and middle-income individuals? This chart is not just a depiction of Federal income taxes; this includes all Federal taxes. This includes Social Security, other payroll taxes and excise taxes frequently referred to by my colleagues on the other side as “regressive taxes.”

Even including all Federal taxes over the last 30 years, the top 5 percent of

income earners have paid a lot higher effective tax rate than the bottom 95 percent. It has been that way no matter which party has controlled the White House, Congress, or both the White House and Congress. It shows something that you would never know if you listen to the rhetoric of the majority Members of this body or even listen to the punditry on the left and some in the media.

Here is what it shows: A progressive income tax system is deeply embedded in our culture. The bipartisan tax relief plans of 2001 and 2003 made the system yet more progressive. These plans brought the rates down for the bottom 95 percent of the taxpayers, as you can see here on the bottom line. The 2001 and 2003 tax relief plans dropped the effective tax rates for tax-paying families under \$250,000 to their lowest levels in a generation. This is the current law, the current level of taxation.

In about a half year these rates will pop back up for all of these taxpayers. That is the checkered line going across there. That is where they are going to return to. The President, as powerful as he is, cannot unilaterally hike or cut taxes. He needs a bill from Congress to do that.

On our side, we want all the tax relief made permanent. We want the opportunity to debate and to amend a bill that deals with this basic level of taxation, the basic level of taxation where the solid lines take us both for high-income people and low-income people; otherwise, they go back up to the checkered line there. This is unfinished business that affects virtually every American taxpayer.

It is clear that over the last 3½ years, Republicans do not control this Congress. We cannot decide the fate of the marginal rate cuts. It will have a fiscal consequence. There are pretty significant fiscal consequences, but if the Democratic leadership wants to keep these levels of taxation low, then they have to deal with the fiscal consequences.

Alternately, the Democratic leadership can raise taxes and claim the revenue. Not changing the law by failing to act is the same as raising rates on virtually every American taxpayer. But they will have to explain to those taxpayers why they raised taxes by almost 10 percent on average.

In the 2006 election almost 4 years ago, the American people provided the Democratic leadership with control of this Congress. In the election 18 months ago, the American people provided the Democratic leadership the largest majorities that any one party has had in this body in more than a generation. They also provided the Democratic leadership with a President of their party. The Democratic leadership spent the period of 2001 to 2006 thwarting efforts to make the bipartisan tax relief of 2001 and 2003 permanent—which, if they had not fought it, would be permanent law and we would not have this uncertainty that

keeps small business from hiring and expanding.

Upon assuming control, the majority has spent 3½ years with no legislation to make permanent or even extend the marginal rate cuts and family tax relief packages. My friends in the Democratic leadership need to step to the plate. We have had budget and statutory pay-as-you-go, we have debated and voted on the breadth and composition of the marginal rate cuts and family tax relief in those contexts. No legislative action whatsoever. No House committee or floor action. No Senate committee or floor action—as you can see by my “to do” list.

The Democratic leadership needs to step to the plate. Blaming former President George W. Bush and the Republican Congresses of many sessions ago is no substitute for running this time-sensitive tax legislative business through the legislative process. Put forward some proposals. Let's debate those proposals. Let's allow for amendments. Do the people's business. It is time to fill in each of these boxes with a checkmark instead of an X.

Fiscal history shows us that raising these marginal rates on small businesses by as much as 17 percent will not necessarily improve the fiscal picture. The relationship between higher rates and higher revenue is tenuous at best.

I have a chart that tracks this history for over 50 years, I believe. Yes, for 55 years and, who knows, maybe farther back than that. Taxpayers are not automatons. Small business taxpayers will respond dramatically to higher rates. I am afraid the response will not help the economy. It will not mean expansion. It could mean contraction. This is not the right signal to send if we want businesses to create more jobs.

I want to emphasize this chart. You can see, over a period of 55 years, the red line is the revenue coming into the Federal Treasury from all Federal taxes as a percentage of gross domestic product. Then you can see over that 55 years we have had varying years of high marginal tax rates and lower marginal tax rates. It was 93 percent under Eisenhower, down to a low of 28 percent under Ronald Reagan, back up to 35 percent for several years as a result of the Bush tax increase, continued by the Clinton tax increase. Then with the 2001 bill you see it go down, the marginal tax rates, to 35 percent from 39 percent.

What that ought to tell you is that the people of this country are smarter than we are here in the Senate. We can think we are going to increase marginal tax rates and bring in a lot of revenue. But the people of this country who have the capability of deciding whether they are going to invest and create jobs and invest so they can make more money have decided that they are only going to send so much money to Washington, DC, for those of us in the Congress to decide how the resources of this Nation are divided.

You can have 93-percent tax rates or you can have a low of 28-percent tax rates, but you still get about the same amount coming in. So we ought not fool ourselves that we can direct to this country that we are going to force you to pay more taxes with higher marginal tax rates, because the people in this country have the ability to decide that they are going to work and produce or is it worth working and producing if you have high marginal tax rates and then maybe decide not to work and invest so hard and maybe take a life of leisure—more so. But you find when you reduce marginal tax rates you get more economic activity from it. You get more economic activity from it because, quite frankly, we in this Congress, 535 of us, when we decide what to do with the resources of this country it does not do as much economic good as when you leave the money in the pockets of 137 million taxpayers and they decide whether to spend or whether to save or to spend and save and how to save it and what to spend it on. It creates more jobs.

I hope we look at helping small business. The bill before us is a good bill with solid initiatives for small business. I compliment my friend Chairman BAUCUS for diligently pressing these issues. They would be even more effective if we could address the uncertainty a small business faces on the tax front.

When it comes to whether small business can do a better job of creating employment or whether government can do it, I wanted to ask the question: How many jobs did the stimulus bill create?

Here we were, February of 2009, passing an \$800-some billion stimulus bill supposedly to keep employment under 8 percent, and it has not been under 9½ percent for well over a year. That is government, through stimulus, trying to create jobs—and not enough in the private sector, by the way.

So in recent weeks, a number of my colleagues have come to the floor to proclaim the success of this massive, now I guess it adds up to a \$862 billion stimulus bill that Congress enacted in February of 2009. Similar statements were made earlier this very day.

Although the number of private sector jobs has increased by only half a million since 2009, my friends on the other side continue to insist the stimulus bill has created millions of new jobs. So I would like to see how they justify those claims. The stimulus bill requires certain recipients of stimulus funds to report the number of jobs they have created or saved or, more accurately, they report the number of jobs funded with stimulus dollars. The stimulus bill also requires the Congressional Budget Office, CBO, to issue a quarterly report on those numbers.

CBO is careful to point out that the number of jobs being reported by stimulus recipients is not a comprehensive estimate of the economic impact of the stimulus bill. CBO says the actual

numbers could be higher or lower. According to CBO:

Estimating the law's overall effect on employment requires a more comprehensive analysis than the recipients' reports provide.

For this analysis, CBO relies upon computer models. In other words, CBO does not look at the actual jobs data; instead, it looks at a model of the economy. CBO is very upfront about this to all of us.

CBO used a computer model to predict how many jobs the stimulus bill would create before it was enacted into law. Now that the stimulus bill is law, CBO is using a computer model to tell us it did just what they said the model would do, create jobs. Why would CBO rely upon a model instead of actual data?

According to CBO:

Data on actual output and employment . . . are not as helpful in determining [the stimulus bill's] economic effects . . . because isolating those effects would require knowing what path the economy would have taken in the absence of the law. Because that path cannot be observed, there is no way to be certain about how the economy would have performed if the legislation had not been enacted.

In other words, CBO does not know how much better or worse the economy would have been if the stimulus bill had not been enacted. That means CBO does not know how much better or worse the economy is now as a result of the stimulus bill.

So, basically, CBO is saying: Trust us—or more specifically, trust our model. But if the model was wrong to begin with, then it is still wrong. According to CBO, their model relies on historical relationships to determine estimated “multipliers” for each category of taxes and spending in the stimulus bill. The problem is, there is no way to know whether these historical relationships remain constant over time or whether they change under different economic circumstances. In short, the jobs numbers attributed to the stimulus bill are based on assumptions that may or may not have any basis in reality.

The bottom line is this: CBO cannot be cited as an authority for the proposition that the stimulus bill actually created jobs. All CBO has done is confirm that its model, and I repeat, CBO's model, projected jobs would be created from the stimulus bill.

CBO has not confirmed that the stimulus bill actually created jobs. What we do know is that in 18 months, since the \$862-plus billion stimulus bill went into effect, the private sector has added a relatively small number of new jobs, about half a million. This is a small portion of the number of new jobs asserted by my friends on the other side of the aisle.

I want to make the RECORD very clear on this very important point.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. SHAHEEN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. SHAHEEN. Madam President, I am here to speak to the bill that is pending before us. Small businesses are the cornerstone of New Hampshire's economy, just as they are the cornerstone of the economies of so many of our States.

Over 96 percent of employers in New Hampshire are small businesses with fewer than 500 employees, 96 percent. The economic recovery of New Hampshire depends on the ability of those small businesses to invest in their future, to grow their businesses, and to hire new workers.

But right now many of these small businesses are hurting and they continue to have trouble accessing credit, the credit they need to help turn our economy around. While community banks in New Hampshire have increased their lending, I consistently hear from small businesses that they still need additional working capital.

Last year my office organized a financing fair to bring together lenders and small businesses who need financing. Over 500 people showed up. That is a crowd in New Hampshire. Wherever I go in the State, small business owners tell me they have run out of financing options. In some cases their only choice is to turn to credit cards, their personal credit cards where they pay exorbitant interest rates to get the working capital they need to keep their businesses growing.

That is why we need to quickly pass the Small Business Jobs Act. This legislation will help small businesses in New Hampshire and across the country access the credit they need to create jobs and to weather this economic storm. I am very proud of the work of my committee. As the President knows, the Small Business Committee does great work. It is led by Chairman LANDRIEU and Ranking Member SNOWE.

They have worked and we have worked on this committee to fashion bipartisan measures to strengthen critical SBA programs for small businesses. This afternoon I want to talk about two of those provisions in particular that I think will provide tangible credit solutions for small businesses in New Hampshire.

Many creditworthy small businesses have mortgages on their property that are coming due in the next year. In normal times these businesses would simply refinance those mortgages at reasonable rates. But with commercial real estate lending so tight, and real estate values falling, the only option for many businesses is to refinance at very high rates. This drains them of the cash they need to pay for their workers and buy new inventory.

For small businesses that cannot refinance at all, they face foreclosure even though they may have never missed a payment on their loan. The



Small Business Jobs Act will change an existing SBA program in a way that makes sense. It will change the 504 program to help small businesses refinance these mortgages at low rates. This will free up capital for these small businesses to hire workers and to make other investments to grow their operations, and we can do this in this bill at no cost to the taxpayer.

In New Hampshire, this will help small businesses of all kinds: manufacturers, hotels and restaurants, doctors offices, and many others. This will help them retain hundreds of jobs that would otherwise be lost due to a lack of credit availability. In some cases, it will stop businesses from having to close their doors altogether.

This bill will also increase the maximum loan limit of the Express Loan Program. This is another important provision of this bill that will help small businesses in New Hampshire get the working capital they need. The Express Program is popular with small business lenders in New Hampshire because it cuts redtape and provides a streamlined process for approving loans.

Unlike traditional 7(a) loans, lenders can use their own paperwork for SBA Express Loans, making it easier for them to quickly get capital into the hands of small businesses. Currently, however, Express Loans are capped at \$350,000. The Small Business Jobs Act will increase the loan limit to \$1 million, making additional working capital available to small businesses.

I thank Senators LANDRIEU and SNOWE for working with me to include this important provision. I am also pleased that the bill includes President Obama's initiative to provide over \$30 billion for two new lending funds for small business owners.

I am hopeful the small business lending fund and the State small business credit initiative will provide community banks with the capital cushion they need to expand lending to small businesses.

This bill also lowers taxes on small firms, providing over \$12 billion in tax cuts to help free up capital so small companies can invest in their future. These tax cuts are fully paid for, and they will not add to the deficit. The Small Business Jobs Act will help provide the boost that small businesses in New Hampshire and across the country need so desperately so they can create jobs and help continue to grow our economy.

I urge my colleagues to join me in supporting this critical piece of legislation.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. UDALL of New Mexico. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. UDALL of New Mexico are printed in today's RECORD under "Morning Business.")

Mr. UDALL of New Mexico. I yield the floor and I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. NELSON of Florida. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. NELSON of Florida are printed in today's RECORD under "Morning Business.")

Mr. NELSON of Florida. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. UDALL of Colorado). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CASEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HONORING OUR ARMED FORCES SERGEANT  
JOSEPH CASKEY

Mr. CASEY. Mr. President, I rise tonight to talk about the war in Afghanistan, and, unfortunately tonight, as I begin my remarks, I have to report on yet another death of a soldier killed in action in Afghanistan. Yesterday, in Pennsylvania, we lost another marine. This time the marine was from West View, PA, Allegheny County, the county in which most people know the city of Pittsburgh is. SGT Joseph Caskey, 24 years old, was on his second tour and was killed in action.

If the counting is right in terms of the number killed in action from Pennsylvania, he is likely the fiftieth killed in action from Pennsylvania. We have about 260 who have been wounded. That number may be higher, but that is the most recent number I have seen. Sergeant Caskey gave us, as Abraham Lincoln said so eloquently so many years ago, the last full measure of devotion to his country. And like so many others—hundreds and hundreds who have died in the conflict in Afghanistan, and those who died in Iraq and so many other conflicts—we mourn his loss and we commend his service, but I think we also, at the same time, must recommit ourselves to making sure we are putting this conflict on the floor of the Senate; that we debate it more; that we talk about it more, so that we get the policy right. I am going to speak a little while tonight about that.

In terms of the lethality or the focus we have on those who have lost their lives, June is the deadliest month on record for coalition forces. I wish we

didn't have to report on that. I wish those of us who come to the floor periodically to talk about the war and to talk about individuals from our States who have perished—who have either been killed or who are suffering from grievous injuries—could come and talk about some other milestone in the life of that person—a soldier such as 24-year-old Sergeant Caskey. I wish I could come and report about some other milestone in his life instead of the news about his death.

But we have to talk more about this war. We have to make sure we are debating it more. One of the things that we know has just transpired is a change in command. Today, the Senate Armed Services Committee—and the Presiding Officer is a member of that committee—voted in favor, thank goodness, of General Petraeus's nomination to be the Commander of the ISAF forces in Afghanistan. I think to say this is bipartisan is an understatement. We know that President Obama has chosen a man worthy of this job, and we are fortunate that he has once again accepted the call to action and accepted this new responsibility.

I spoke today by telephone with General Petraeus and covered a number of issues dealing with a whole range of foreign policy and security issues, including some of those pertinent to the conflict in Afghanistan. I have full confidence, as I know so many others in this Chamber and across the country do, in his leadership. I have full confidence that he will be able to implement a strategy that contributes to the overall security of Afghanistan and also a strategy that will train the Afghan security forces and create the kind of political space the Afghan Government needs to provide security and services to its people.

This new command by General Petraeus, upon confirmation—it has not been voted on in the Senate, but I will be voting for him, and I know he will receive a great vote—will bring a new opportunity to assess where we are in the fight, and it is good that we do that. The news, unfortunately, is not all that encouraging lately. We continue to face a host of challenges in Afghanistan.

A Washington Post newspaper report this week cited allegations of blatant and rampant corruption within the senior ranks of the Afghan Government. The report detailed examples where government officials blocked corruption investigations and ordered investigators to remove names from case files. That is just one problem. Secondly, there were allegations of individuals preventing the arrest of senior officials and not acknowledging evidence against businessmen accused of helping Afghan elites to move millions of dollars out of the country.

This was a published report. These are allegations, and we hope they are not true, but if they are, we have much deeper problems than we thought maybe even a couple of days ago. These

are serious allegations that require a serious and thorough investigation and scrutiny. Those who are accused of these crimes should be prosecuted upon the review of the evidence.

As I have said in the past about this conflict, our success will be determined by a belief among Afghans that justice can be delivered by its government. The people of Afghanistan have a right to expect honest government officials working on behalf of the public good, working on behalf of the people, not to enrich themselves, not to provide advantages for the elite in Afghanistan, not just to provide advantages for the wealthy but to make sure that the people are the beneficiaries of a clean, honest government and the kind of effective services that the people should have a right to expect.

The people also have a right to expect a police force capable of protecting the population against criminals. They do have that right. They also have a right to a fair and efficient system of justice in Afghanistan, capable of delivering verdicts based upon the rule of law and not according to the barbaric code embraced by the Taliban. Unfortunately, today, we don't yet see a government in Afghanistan that is fully capable of providing this kind of justice. So we have to monitor what is happening there. We have to make sure we see results and not just rhetoric. We have to see the reality of progress on security, on justice, on the delivery of services—not just the aspiration but the delivery of results.

As we consider the nomination of General Petraeus—and as I mentioned before, a nomination I fully support—I hope this nomination will be one of the reasons we will have a more substantial discussion or debate about the policy here in the Senate. That is where that debate should take place, as it takes place in the House and outside of the Capitol and across America. We should have in the Senate a debate or a reengagement of the debate about this policy. We owe it to our fighting men and women to do nothing less than that, to be committed to examining every aspect of the conflict in the weeks and months ahead. We must continue to ask and get answers to the tough questions on security, on governance, and on the delivery of services, to mention three broad areas of review, analysis, and, of course, inquiry.

As allegations of Afghan Government corruption emerge, oversight is essential when we hear these allegations. If the Afghan national police and army are not hitting their recruitment and training targets, for example, we need to know why. The American people and the Afghan people have a right to expect that we and the Afghanistan leadership, starting with President Karzai, get answers to those tough questions about the security, and especially about the army and the police.

I spoke yesterday of my commitment, and the commitment of so many

others in this Chamber, to helping stem the flow of ammonium nitrate into Afghanistan from its neighbors, particularly Pakistan and the countries of central Asia. This deadly ingredient is used in most of the IEDs found in Afghanistan—bombs which have grown more powerful in recent months. We are now getting reports of the destructive power of IEDs not only to kill and to maim our troops who happen to walk near one of these explosive devices but to literally lift up an MRAP—this great vehicle we have been able to produce that lessens the chances that an explosion under the vehicle will kill someone. The explosions are now so great that they have been lifting up the MRAP and flipping it on its head and killing or gravely injuring troops not because the bottom technology and the engineering wonder that has saved so many lives is giving out, but because the vehicle itself is being lifted up and then smashed down in a way we couldn't even imagine maybe even a year ago or months ago.

As I mention the impact of ammonium nitrate as the destructive ingredient in the IEDs, it so happens that Sergeant Caskey, the marine I spoke of earlier from Pennsylvania, who we believe is the fiftieth soldier killed in action in Afghanistan, was killed by an IED, as so many others—hundreds and hundreds—have been killed in that manner.

This concern about ammonium nitrate is just one of a series of regional concerns that we have with respect to the conflict in Afghanistan. Pakistan has recognized the severity of the threat posed by the Afghan and Pakistani Taliban. The Pakistani forces have suffered heavy losses within their own borders, and I respect the commitment they have shown as the struggle continues. While the battle has been tough and difficult, we will need more help from the Pakistani people and their security forces in the weeks and months and years ahead.

We have no better military leader to take on this challenge at this time than General Petraeus. As we confront this enormous challenge, our country has called upon him again and he has answered affirmatively to that call. I believe General Petraeus has the experience, the knowledge, the insight, and of course the respect of not only leaders in the military but also leaders in the region and, of course, he has the respect and support of the American people. So we should be happy and affirmative about that part of the story even as we confront allegations of corruption, even as we confront more and more troops wounded and killed in action, even as we confront the challenge of this policy.

The minimum we must do in the Senate is to make sure that the oversight we provide, the debates we engage in, and all of the work that we do in the Senate that relates to this policy, at a minimum attempts to justify and to be equal to the commitment of our troops.

Their job is so much more difficult than our job. We don't have to put our lives on the line. We debate and we learn and we try to move the policy forward, but the least we should do is to have a debate that matches or at least attempts to be equivalent to the sacrifice that they display every day.

When we think of our troops, we mourn, of course, those who have been killed in action, and we also remember and salute and celebrate the contributions of those who have served and who come home with an injury, sometimes grievously wounded.

Of course, we remember and salute those who serve and, fortunately, with the blessing of God, are not killed or not wounded and they can come home and be reunited with their families, with their communities.

We remember all those, as Abraham Lincoln said a long time ago: "Him who has borne the battle." Of course in 2010 we are talking about him and her, those who have borne this battle.

We have a long way to go as it relates to this policy but, as we are thinking tonight of the hope we have in General Petraeus's leadership, the confidence we have in his ability and his commitment—he is a patriot like few others—even as we are hopeful about that we remember those who lost their lives, such as Sergeant Caskey, of West View, PA, and so many others who have served, and their families, who have loved and lost.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### AMERICAN JOBS AND CLOSING TAX LOOPHOLES ACT OF 2010

Mr. REID. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to H.R. 4213.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Motion to concur in the House amendment to the Senate amendment with an amendment to H.R. 4213, an act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

Pending:

Reid (for Baucus) motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Baucus amendment No. 4386 (to the amendment of the House to the amendment of the Senate to the bill), in the nature of a substitute.

Reid (for Baucus) amendment No. 4387 (to amendment No. 4386), to change the enactment date.

Reid motion to refer in the amendment of the House to the amendment of the Senate to the bill to the Committee on finance, with instructions, Reid amendment No. 4388, to provide for a study.

Reid amendment No. 4389 (to the instructions (amendment No. 4388) of the motion to refer), of a perfecting nature.

Reid amendment No. 4390 (to amendment No. 4389), of a perfecting nature.

Mr. REID. I ask unanimous consent that the motion to refer be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I ask unanimous consent that the motion to concur in the House amendment to the Senate amendment to H.R. 4213 with the Baucus amendment 4386 be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO CONCUR WITH AMENDMENT NO. 4425

(Purpose: In the nature of a substitute)

Mr. REID. I now move to concur in the House amendment to the Senate amendment to H.R. 4213 with an amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to concur in the House amendment to the Senate amendment to H.R. 4213 with an amendment numbered 4425.

Mr. REID. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4426 TO AMENDMENT NO. 4425

Mr. REID. I now have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4426 to amendment No. 4425.

The amendment is as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective 3 days after enactment.

CLOTURE MOTION

Mr. REID. I have a cloture motion on the motion to concur at the desk and ask that it be stated.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to H.R. 4213, the American Jobs and Closing Tax Loopholes Act, with a Reid amendment No. 4425.

Harry Reid, Max Baucus, Jack Reed, Edward E. Kaufman, John F. Kerry, Sheldon Whitehouse, Carl Levin, Roland W. Burris, Richard J. Durbin, Jeff Merkley, Benjamin L. Cardin, Christopher J. Dodd, John D. Rockefeller, IV, Barbara Boxer, Patty Murray, Robert P. Casey, Jr., Charles E. Schumer.

Mr. REID. I ask unanimous consent that the mandatory quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO REFER WITH AMENDMENT NO. 4427

Mr. REID. I have a motion to refer with instructions at the desk, and I ask that that motion be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to refer the House message to the Senate Finance Committee with instructions to report back forthwith with an amendment numbered 4427.

The amendment is as follows:

At the end, insert the following:

The Committee on Finance is requested to study the economic impact of the delay in implementing the provisions of the Act on job creation on a national and regional level.

Mr. REID. I now ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4428 TO AMENDMENT NO. 4427

Mr. REID. I have an amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4428 to amendment No. 4427.

The amendment is as follows:

At the end, insert the following:

"and include statistical data on the specific service related positions created."

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4429 TO AMENDMENT NO. 4428

Mr. REID. I now have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4429 to amendment No. 4428.

The amendment is as follows:

At the end, insert the following:

"and the impact on the local economy."

#### MORNING BUSINESS

Mr. REID. Mr. President, I now ask unanimous consent that the Senate proceed to a period of morning business,

with Senators allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### REMEMBERING SENATOR ROBERT C. BYRD

Mr. ENZI. Mr. President, I am here today to pay respects to Senator BYRD, whose desk is now adorned with a black cloth and flowers. I know we will all long remember Monday as the day we received some very sad news, for on that day, as the morning began, we each learned in our own way that our good friend and colleague ROBERT BYRD had passed away just a few hours earlier. It should not have been a sudden shock. We all had time to prepare for this moment. We knew he had been having a period of ill health, but it still seemed as if he would be here forever. That is the kind of man ROBERT BYRD was.

A man of great gifts, he loved the written word and could recite his favorite poems from memory—at length. It was amazing how many speeches, reflections, and famous quotations were there at his command, in his quiver, ever ready and waiting for him to recite so he could emphasize an important point about an issue that needed to be made. That is the kind of man ROBERT BYRD was.

While it is true he was the longest serving Member of Congress in history, he was so much more than that. He was the historian of the Senate who knew more about our roots as a legislative body than anyone else. He was a master legislative craftsman, and whenever he spoke, we all listened carefully to see what he had to say about the matter we had taken up for deliberation. That is the kind of man ROBERT BYRD was.

No one had more respect and regard for the Senate and our legislative traditions and procedures than he did. He knew the rules, he knew why they were crafted that way, and he knew how to make good use of them to further the agenda he believed to be in the best interests of the people of our Nation. Once again, that is the kind of man ROBERT BYRD was. That is why it is so difficult to sum up his life in just a few well-chosen words.

There is no greater tribute we can pay to ROBERT BYRD than for the spirit of friendship and camaraderie, which were staples of his Senate service, to bring us all to the Senate floor to express our regrets and send our condolences to his family. It will also give us a chance to share our memories of someone we will never forget.

I will always remember the orientation he organized for the incoming class of new Senators each session for as long as he was able. Besides a strong historical welcome, he presented each of us with one volume of his four-volume history of the Senate. If we read it and were able to answer questions about it, then—and only then—would

we get the other three volumes. I remember asking him how he wrote them. He said he presented all of it as a series of floor speeches delivered without any notes, with most corrections made simply to clear up what the floor reporters thought they heard. He had a photographic memory, and that made it all possible. Perhaps it came from his years of study of the violin. In any event, it made him a better speaker because he spoke slowly and deliberately, carefully editing his sentences as he spoke. His style created a natural bond between himself and the listener, and that is what made him such a styled and gifted communicator.

It may be a cliché, but he was a southern gentleman through and through. He had no tolerance for any rude or impolite conduct on the floor. He instructed and expected all of us to be courteous and respectful—not because of politics but because of the great institution of which we are a part. He knew what a great honor and a privilege it is to serve in the Senate, and he expected everyone else to realize it as well and to act accordingly.

When you presided over the Senate, he expected you to pay attention to each speaker. Sometimes, the Presiding Officer is the only one in the Chamber. There was a time when there was a telephone under the Presiding Officer's desk. As the story goes, Senator BYRD was speaking when the phone under the desk rang. When the Presiding Officer answered it, Senator BYRD made sure to make him aware of the importance of courtesy in such a situation. The Presiding Officer then said: "Senator BYRD, the phone is for you." That is when the phone was taken out and a rule went into effect that no electronic devices were to be used on the Senate floor.

Then there were his special speeches. He always commemorated each holiday the evening before a recess would begin. Each speech was very poetic and, in fact, usually had some poem he had memorized years before that would come to mind and be recited from memory. He was good at it, so good that we looked forward to his poetic observations on the passing of time.

That unique speaking style of his also helped him to build a good relationship with our pages. His "going away" speech for each graduating class often left many of them in tears. Their fondness for him only grew when they learned that if the Senate was in session after 10 p.m., they had no early morning classes the next day. They were always delighted, therefore, when the hour grew late and Senator BYRD rose to speak. They knew he could easily add the 10 or 15 or even 30 minutes needed to get them past 10 o'clock and a welcome reprieve from the early morning classes.

My favorite speech Senator BYRD gave happened when I was presiding. Over the previous weekend, he had visited some of his grandkids and asked about their studies. He was a firm be-

liever in education and was an example of lifelong learning himself. One of his grandkids had shared a math experience with him. He was so surprised, he asked to see the math book. He brought the book to the floor to read parts of it to us. He was distressed at how math had migrated into a social textbook. He pointed out that you had to get to page 187 to find anything that resembled the math he had learned. The parts prior to that were social discourse. Anyone who heard the speech would remember his indignation.

I remember being at an inter-parliamentary trip held in West Virginia hosting the British Parliament. We went to a mountain retreat for dinner. Senator BYRD welcomed them and then got out his violin and shared some fiddle music he thought was appropriate for the occasion. He was very good.

Senator BYRD was an expert on the rules of the Senate. At our orientation, he encouraged us to learn the rules. Because of his encouragement and as a way to learn the rules, I volunteered often to chair the Senate floor. Following his instructions, I brought a list of questions with me since during the quorum calls you can ask questions of the captive-audience Parliamentarian.

I once saw a Senator come to the floor to debate an amendment, and Senator BYRD was there to debate against it. The Senator wanted to revise his amendment. For half an hour, the Senator tried different tactics to change his amendment, and Senator BYRD thwarted every attempt. The Senator was frustrated. He asked for a quorum call, and he left the floor.

At that point, I asked the Parliamentarian if there was any way the Senator could have changed his amendment. The Parliamentarian explained that all he had to do was declare his right to revise his amendment. I asked why the Parliamentarian did not tell him that. What I learned is the Parliamentarian can only give advice when asked. My first stop at the Senate floor often is at the Parliamentarian as a result.

During much of Senator BYRD's career, he was either the chairman of the Appropriations Committee or the ranking member. He was very good about taking care of orphan miners. Those are primarily coal miners whose companies have gone out of business owing benefits. After a couple of lessons from the Senator, I worked with him to take care of the orphan miner health problem in a bill that speeded up mine reclamation in many States, extended an expiring tax on coal companies with their guarded permission, and then released impounded trust fund money promised by law to the States for the impacts the States put up to produce the Nation's energy, as well as take care of the orphan miners.

At another time, Senator ISAKSON and I worked with Senators BYRD, ROCKEFELLER, and Kennedy to make the first changes in mine safety law in

28 years. He was very proud of the difference he was able to make in the lives of coal miners back home, and he never forgot them whenever we were debating an issue that might have an impact on their lives.

In the days and weeks to come, I can think of no greater compliment we could pay another Senator or greater tribute we can pay to Senator BYRD than to watch someone in action on the Senate floor who develops and implements a well-drawn strategy and say: That is the way ROBERT BYRD would have done it.

For my part, I will always remember the great love Senator BYRD had for our Constitution. I do not think anyone knew it better or more detailed than he did. When I was mayor of Gillette, I began a habit of carrying around a copy of the Constitution with me. I discovered that a lot of us knew what it said but not too many of us had a grasp for the details. It had a lot of meaning for me right from the start because it represents the blueprint from which our Nation and system of government were constructed. Then when I came to the Senate, I came to know the Constitution in a completely different way. It was now my job description, as Senator BYRD put it. So I always kept it handy.

I have no doubt that Senator BYRD had a similar reaction years before my own. I am sure he knew the better he understood our Constitution and the procedures of the Senate, the more effective he would be as a Senator. He knew the importance of understanding the rules of our legislative process in every detail. The better he became at mastering the process by which our laws were made, the better he knew he would be at producing the outcome he was committed to achieving for the people of West Virginia and the Nation. I am sure that is why he always carried a copy with him.

The line-item veto was passed before I got to the Senate, but Senator BYRD had sued to have it stricken. Most of his Senate career had been as chairman of the Appropriations Committee or the ranking member. He pointed out that Congress, according to the Constitution, is supposed to make spending decisions, not the President. He always pointed out that we do not work for the President of the United States; we work with the President as a separate but equal branch of government. He would guard us against infringement by the President using the third branch of government, and he was successful.

Although his life was marked by many triumphs, he was not without his personal tragedies. I have always believed that the work we do begins at home, and that is why I will never forget the strength of his marriage and what a tremendous loss it was for him when his wife passed away. No one knew ROBERT BYRD better than she did, and without her by his side life became ever more difficult. His health began to fail.

I remember going to his wife's funeral. It was very well done. When my wife and I were on our way home, we commented that the endearing and astounding thing about the funeral was that it was about her. He made sure her achievements, her family, her efforts and successes were the focus. As famous as Senator BYRD was, the comments that were made that day were about her and not about him. That says a lot about the relationship they had.

Although his health was declining, he was here as often as he was able, an active part of the day-to-day workings of the Senate. He would not and could not take it easy, no matter what anyone told him. His heart was in the Senate; his soul was in West Virginia. To stop what he loved to do was for him and the people back home unthinkable.

One of Senator BYRD's favorite quotations comes to mind today. He loved the Bible and quoted from it often. When going through a difficult time in his life, he remembered the words from the Book of Ecclesiastes:

To everything there is a season and a time for every purpose under heaven.

Now Senator BYRD has come to another time, as he has reached the end of his seasons on God's green Earth. He will be greatly missed, and he will never be forgotten.

I cannot conclude my remarks without paying a final tribute to Senator BYRD by recalling his love of poetry and the written word. We can all remember the way he would enjoy sharing a favorite verse with us, much like this one. Although the author is unknown, I am certain Senator BYRD would not only recall it but know it well:

Life is but a stopping place,  
A pause in what's to be,  
A resting place along the road,  
To sweet eternity.

We all have different journeys,  
Different paths along the way,  
We all were meant to learn some things,  
But never meant to stay.

Our destination is a place,  
Far greater than we know.  
For some the journey's quicker,  
For some the journey's slow.

And when the journey finally ends,  
We'll claim a great reward,  
And find an everlasting peace,  
Together with the Lord.

My wife Diana joins in sending our heartfelt sympathy to his family and many friends and for all the people who worked for him and with him over the years. We will miss him—the knowledge he had, the institutional memory he had, the experiences and history he had been a part of and in many instances was the main participant—the leader. Probably only once in the history of a country does someone like this come along. If he were here, he would deny it but be pleased if we noted the similarity of what he had done to what had been done in the ancient Roman Senate about which he often talked.

In the end for Senator BYRD it was never about how much time he spent in

the Senate or on Earth but how well he used the time he was given.

I yield the floor.

Mr. CONRAD. Mr. President, I rise to talk about the loss of our senior colleague, Senator ROBERT C. BYRD. Senator BYRD, I had the privilege and honor of serving with for over 24 years in the Senate. I believe this body has lost a giant.

For more than five decades, ROBERT C. BYRD served his country, fought to protect the institution of the Senate, and worked tirelessly for the people of West Virginia. The people of West Virginia were never very far from the mind of ROBERT C. BYRD. I know because I worked with him every day for 24 years. Senator BYRD and his passing leave a tremendous void for this body and for the Nation. He will be greatly missed.

Senator BYRD was a great man, an exceptional person, somebody who had lost his parents and, through sheer will, made himself into a great man. He was a legend in the Senate, the longest serving Senator in the history of the United States and the longest serving lawmaker in congressional history. The people of West Virginia elected him to the Senate an amazing nine times and three times before that to the House of Representatives. He served in almost every leadership post in the Senate, including twice as majority leader and for almost two decades as chairman of the Appropriations Committee. He took an incredible 18,500 votes, a record which will never be broken. At least that is my forecast. I do not know how anybody will ever break a record of 18,500 votes.

Senator BYRD may be remembered most as the protector of the institution of the Senate. This is an institution he loved. More than that, this is an institution he revered as part of the constitutional structure of this country. He believed it had a special place in defending the Constitution of the United States. He believed it played a special role in preventing unwise legislation from becoming law, and he believed it deeply.

He knew more about Senate history and Senate rules and procedures than any other Member, and he used that knowledge skillfully to defend this institution and to ensure it continued to function in a manner consistent with what the Founding Fathers intended. Senator BYRD did not come to those beliefs lightly. He came to those beliefs after the most thorough and very rigorous study of our history. He was a master orator. How many of us can remember Senator BYRD coming to this floor and having Members come to the floor to listen to him because very often his speeches were a history lesson—and not just drawn from American history but from world history, going back to the Roman Empire? When he was in really high excitement, he loved to go through the various Roman emperors and what brought them down, what led to the decline of

the Roman Empire, and what lessons we could draw from that.

His speeches were riddled with quotes from great leaders, references to American history and law, and descriptions of that ancient Roman Senate—much of it from memory. How many times did I hear Senator BYRD stand in that spot or in the leader's spot and recite from memory a lengthy poem or a speech from history? What a remarkable, remarkable man. The extent and the breadth of his knowledge was truly amazing.

Senator BYRD was also an expert on budget matters. In fact, he was one of the principal authors of the 1974 Budget Act which established the congressional budget process. He created and vigorously defended the Byrd rule, which bears his name—a budget rule designed to stop the abuse of the fast-track reconciliation process.

Let me just remind my colleagues of something Senator BYRD did during the Clinton administration when the administration had a health care proposal that was bogged down. It could not pass because it would require 60 votes in the Senate, and there were not 60 votes to be had. The administration wanted to use the reconciliation process, the fast-track process that allows legislation to be passed with only a simple majority. Senator BYRD said no, under no circumstances would he permit that to happen because he believed that was a violation of the whole basis of the reconciliation process which he had been involved in and which he had helped design and which was put in law solely for deficit reduction, in his view. He believed any other use was an abuse of the process—the process of reconciliation. So he said no to the President of his own party on that President's No. 1 domestic priority.

There is a lesson in that for all of us. When we were in the midst of the consideration of using the reconciliation process for that purpose during the Clinton administration years, Senator BYRD told me, as a member of the Budget Committee: Senator, always remember partisanship can go too far. Our obligation, our first obligation, is to the Nation and to this institution. If that means we have to disagree with the President of our own party, so be it.

I hope colleagues learn from that lesson as well. Partisanship can go too far.

As the Budget Committee chairman, I had the privilege and honor of working particularly close with Senator BYRD after he joined the committee in 2001. The original idea of the Budget Committee was that the chairman of the Finance Committee would serve there, the chairman of the Appropriations Committee would serve there, and the chairmen of other relevant major committees would serve there so that the Budget Committee would put together the priorities of the United States. Senator BYRD had an acute understanding of that history.

But also Senator BYRD never forgot who sent him to Washington. He tenaciously fought for West Virginia throughout his career and ensured his small, rural State had a powerful voice in the Halls of the Capitol. He never forgot where he came from. I remember well his exchange at a Budget Committee hearing in 2002 with then-Treasury Secretary Paul O'Neill, and Senator BYRD proudly and emotionally described his own humble upbringing because Senator BYRD came from very straightened circumstances. He came from a very modest background. He was an orphan. In fact, he carried a name which was not his birth name. His birth name was a different name than ROBERT C. BYRD. But when relatives took him in, they gave him their family name.

ROBERT C. BYRD remembered those earliest days. He remembered what it was to struggle. He remembered what it was to have very little. He remembered what it was to wonder where your next meal was coming from and whether you were going to have a roof over your head. Senator BYRD remembered, and he was faithful to those memories.

Senator BYRD loved his wife Erma. He loved his daughters Mona and Marjorie and his grandchildren and great-grandchildren.

I want to say to the members of the family, Senator BYRD was intensely proud of you. I hope the children and grandchildren will get that message, that Senator BYRD was intensely proud of each and every one of you. He spoke about you often and in loving terms, and you should know that.

Of course, we all know he loved his little dog Billy, and he loved his dog Trouble. In fact, I think he had multiple dogs named Trouble.

Senator BYRD loved West Virginia, he loved this institution, and he loved our country. I am deeply saddened by the passing of Senator BYRD. His immense knowledge and his spirit will be missed. His values will be missed. But I am comforted in knowing that our friend ROBERT is now reunited with his beloved wife Erma. I know his legacy will live on in this body and this Nation forever.

I thank the Chair and yield the floor. The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Mr. President, during a record-breaking six decades of public service, Senator BYRD served this Nation with diligence and spirit. As a legislator, Senator BYRD had many notable qualities, particularly his legendary oratory skills and his masterful knowledge of Senate procedure. Having authored a four-volume history of this Chamber, he understood its nuances and intricacies, and he was an articulate spokesman for protecting procedural rules.

Senator BYRD kept a copy of the Constitution in his pocket, and he could recite it from memory. He was always first to remind us that the Framers in-

tended the Senate to be different from the House of Representatives and to stand as a bastion of individual and minority rights. He celebrated these distinctions serving as they do the fundamental principle of checks and balances within the legislative branch.

At a recent Rules Committee hearing, Senator BYRD said:

The Senate is the only place in government where the rights of a numerical minority are so protected. The Senate is a forum of the States, where regardless of size or population, all States have an equal voice. . . . Without the protection of unlimited debate, small States like West Virginia might be trampled. Extended deliberation and debate—when employed judiciously—protect every Senator, and the interests of their constituency, and are essential to the protection of the liberties of a free people.

Senator BYRD's insights, expertise, and constitutional scholarship will truly be missed. They are a great part of his legacy, one that I hope will be honored for generations.

On a personal note, I will mention that while Senator BYRD and I did not share a perspective on many matters of public policy, we had a common appreciation for bluegrass music. I always enjoyed talking with him about that subject. He was a talented fiddler, playing on stage, on television, and while campaigning for office. He even recorded an album entitled "Mountain Fiddler." He gave me a copy, and I was very impressed with his skill.

ROBERT BYRD's knowledge, his hard work, his high spirit, and dedication to the people of West Virginia will always be remembered. My wife Caryll and I extend our thoughts and prayers to his family.

Mr. BAUCUS. Mr. President, I, too, wish to say some words on the passing of our good friend and former leader, ROBERT C. BYRD.

It is difficult to sum up in words the thoughts and feelings one has for a departed friend whom one has known so long. I had the pleasure of serving with Senator BYRD my entire career in the Senate. I knew, I liked, and I respected ROBERT C. BYRD for more than 30 years.

It is doubly difficult to put into words thoughts that adequately reflect such a presence in the Senate. ROBERT C. BYRD was a singular Senator. He was a Senator's Senator. There was no title he prized more than that of "Senator."

When I came to the Senate, ROBERT C. BYRD had succeeded my mentor, Mike Mansfield, as majority leader. As ROBERT BYRD was fond of noting, he served as majority leader and then minority leader and then back as majority leader. He saw the leadership of the Senate from both sides, and his experience seasoned his leadership.

As proud as he was to earn the title of "Senator," he was even more proud that as a Senator he represented the people of his State. I deeply believe that is one of the finest things one can say about a fellow Senator. For more than 50 years, he was a strong voice for the people of West Virginia.

ROBERT BYRD was a strong voice for democracy. He knew the rules of the

Senate better than any person alive. He fought to preserve the traditions and customs of what he truly believed is the world's greatest deliberative body.

As my colleagues know, ROBERT BYRD cast more votes than any other Senator in the history of our Republic. I can recall when he cast his 18,000th vote. That vote just happened to have been on a motion to invoke cloture on an amendment offered by this Senator. The Senate did not invoke cloture that day. That is the way the Senate's rules often work. No matter the outcome, Senator BYRD was foremost in the defense of those rules. And Senator BYRD was foremost in the defense of the Constitution of the United States.

Senator BYRD was a student of history more than any other Senator. Those of us who were here will not soon forget Senator BYRD's series of addresses to the Senate on the history of the Senate. And those of us who were here will not soon forget his series of addresses on the Senate of the Roman Republic. He knew that Senate too.

Senator BYRD was a teacher. I can recall meeting with Senator BYRD on a highway bill. He and I both long believed passionately in the importance of our Nation's highways. At this one occasion, I recall being impatient about enacting the highway bill on which we were working. I can also recall the sage advice Senator BYRD gave me about the process, about the procedures, and about the personalities of how to get that bill through the Senate. As I look back on that meeting, I think of all the occasions Senator BYRD took the time to teach others of us about the Senate. He taught his fellow Senators. He taught visiting dignitaries from other countries.

I might add parenthetically that it was not too many years ago when he was visiting Great Britain with some Senators and meeting with some Parliamentarians in Great Britain, and the subject of British monarchs came up, and it was only Senator BYRD who knew them all. He stood up, and he gave the name of every British monarch and the dates they served, up to the present. No other person in the room, including the members of the British Parliament, could do so. ROBERT C. BYRD did.

He taught class after class of Senate pages.

ROBERT BYRD will leave a legacy in the laws of the United States. He will leave a legacy in the rules and precedents of the Senate, and he will leave a living legacy in all the people who learned about the Senate at the knee of this great master.

ROBERT BYRD was an orator. One might say he was the last of a breed. He spoke in a style that recalled his roots before microphones and amplification. He spoke memorably. He spoke like orators used to speak.

Many of us recall celebrated speeches of ROBERT C. BYRD. I will read an extended quotation from one speech that



sums up ROBERT BYRD's strong feelings for the Constitution and the Senate he loved so well.

On October 13, 1989, many of us gathered to hear ROBERT C. BYRD speak. This is what ROBERT C. BYRD said:

Mr. President, I close by saying, as I began, that human ingenuity can always find a way to circumvent a process. . . . But I have regained my faith. We are told in the Scriptures: "Remove not the ancient landmark, which thy fathers have set."

The Constitution is the old landmark which they have set. And if we do not rise to the call of the moment and take a stand, take a strong stand against our own personal interests or against party interests, and stand for the Constitution, then how might we face our children and grandchildren when they ask of us as Caesar did to the centurion, "How do we fare today?" And the centurion replied, "You will be victorious. As for myself, whether I live or die, tonight I shall have earned the praise of Caesar."

And ROBERT C. BYRD concluded:

As [Aaron] Burr bade goodbye to the Senate over which he has presided for 4 years, this is what he said. And I close with his words because I think they may well have been written for a moment like this. He said: "This House is a sanctuary; a citadel of law, of order, and of liberty, and it is here—it is here—in this exalted refuge—here, if anywhere, will resistance be made to the storms of political phrensy and the silent arts of corruption; and if the Constitution be destined ever to perish by the sacrilegious hands of the demagogue or the usurper, which God averts, its expiring agonies will be witnessed on this floor."

So today, Mr. President, I will close my words for my friend, ROBERT C. BYRD, noting that in life he was victorious. As for myself, whether I succeed or not, whether I live or die, today I can count no greater praise than to say I served with ROBERT C. BYRD.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I think the remarks that were given by my colleague from Montana about Senator BYRD were certainly appropriate, and I know anytime we lose one of our Members who has been sitting with us for so long, there is a void to fill.

What I appreciated about Senator BYRD is how much he respected the Senate itself and protected the rights of the Senate against anyone who he believed overstepped the rights of the Senate and the decorum and protocol of the Senate. He was truly a defender of this body. He loved it, and I think we all respected him for that.

#### REMEMBERING SENATOR ROBERT C. BYRD

Mr. BOND. Mr. President, I rise to say a few words about our departed colleague.

This week the Senate lost its longest serving Member not only of the Senate but of the Congress. More than that, the Nation lost a true servant of the people.

From humble beginnings, Senator BYRD was, first and foremost, a champion for the people of West Virginia.

Throughout his many years of service, there has been no greater student, teacher, and protector of the Senate institution. Senator BYRD was not only a guardian of the Senate institution, he was a guardian of the rights our Nation holds dear, which is why his most constant companion was the Constitution of the United States in his pocket.

I had the opportunity, when I first arrived in the Senate in 1990, to work on the acid rain trading provisions in the Clean Air Act. It was known as the Byrd-Bond amendment. We called it the Bond-Byrd amendment back in Missouri. The acid rain trading system has worked because there was technology available. The cost enabled the equitable sharing of the major utilities which had to install expensive equipment that provided more benefit than they needed so they could sell off the other parts of their credits to smaller companies that could not afford to install expensive equipment. That was just a small success for Senator BYRD.

He was a true champion. He will be missed on the Senate floor. My thoughts and prayers are with Senator BYRD's family, his staff, and the people of West Virginia.

Ms. MIKULSKI. Mr. President, I stand today with my colleagues with a very heavy heart to express my condolences to the Byrd family and to the people of West Virginia for losing a great American patriot. It is a very sad day for America, for West Virginia, and for the Senate.

For all of us who knew Senator BYRD, we knew he had five great loves: this country, the Constitution, the Senate, the people of West Virginia, and his beloved wife Erma.

Senator BYRD was my mentor and my teacher. When I arrived in the Senate, I was the first Democratic woman elected to the Senate in her own right. He took me under his wing and taught me the rules of the Senate.

He said to me:

Senator Mikulski, he or she who knows the rules will rule. And you will know how to do it.

His advice to me—when I asked him how to be successful in the Senate—was this:

Senator Mikulski, stay loyal to the Constitution and stay loyal to your constituents and you will do okay.

From the very first day, he wanted me to succeed. He was so welcoming. He made sure I became a member of the Appropriations Committee, and he helped me learn how to use my position to meet the day-to-day needs of my constituents and the long-term needs of our Nation.

Senator BYRD's career was remarkable. We all know the facts: the longest serving Member of Congress in history, the majority leader in the Senate, chairman of the Appropriations Committee, President pro tempore of the Senate, elected nine times to the Senate. Yet he never, ever forgot where he came from. He represented the people of West Virginia.

Born in poverty in the coalfields of West Virginia, raised by an aunt and uncle, he was born with four great gifts: a deep faith, a love of learning, a strong work ethic, and always saluted the fact that he was born in the United States of America, where someone who was, by all intents and purposes, an orphan could become a U.S. Senator. He worked as a gas station attendant, as a meat butcher, and a welder—I might add, a welder in the Baltimore shipyards. He went to night school for college and law school while he was in the Senate.

Senator BYRD wrote and passed many laws, but most important to him was that he was an appropriator. He used his position to help the people of West Virginia, and he did not apologize for that. He brought jobs, roads, and opportunity to one of the poorest States in the Nation. He did not call it pork; he called it opportunity. And this Senator would certainly agree with him.

But Senator BYRD also voted his conscience and encouraged other Members to do the same. In his 18,000 votes, he was most proud of his vote against the Iraq war. He was one of 23 Senators, and I joined him in that vote. At that time, it was deeply unpopular. Those of us who voted against the war were vilified. But we did the right thing, though it was not easy.

If you love the Senate, you love BOB BYRD. He often reminded us that the legislative branch is a coequal part of the government. He fought hard against those who wanted to give up Senate prerogatives, such as the line-item veto. No one understood Senate procedure better and no one protected Senate traditions more than Senator BOB BYRD.

He wanted to pass it on. With the new Senators, he gave each one of us a lecture on the Constitution and gave us a copy of the Constitution. He wanted us to know it and to love it in the way he did. He also taught us the decorum of the Senate—yes, the decorum of the Senate—and how, through our processes and procedures, it was meant to promote civility among us.

To me, as I said, he was a wonderful teacher. I remember going to him when I was ready to offer my first amendment on the floor, and I asked for his advice on how I could present it and how I could not, quite frankly, be rolled. He gave me good, concrete advice. On the day I offered my first amendment, there was Senator BYRD in the background. He was always there. As I said, Senator BYRD always had my back. I was so grateful for having his advice and having his encouragement.

He lived an extraordinary life and left an extraordinary legacy. He stood for citizenship, not partisanship. And maybe that is what we should all do. Follow the Constitution. Stay loyal to our Constitution. Stay loyal to our Constitution and our constituents. Use the rules of the Senate to promote civility and good government. And also make sure that at the end of the day,

we respect the opportunity and greatness of the United States of America.

I mourn the passing of Senator BYRD, but his legacy will live on in the rules and the traditions and the many bills he sponsored.

The people of West Virginia have had great Senators. Senator ROCKEFELLER is a great Senator. And Senator BYRD will always be remembered, that he built a "bridge to somewhere" for all of the people of West Virginia.

Mr. LEMIEUX. Mr. President, I see the roses on the desk of our colleague from West Virginia, as I did in the Armed Services Committee meeting I left a few minutes ago and will return to shortly. It makes me think that what we do here on a day-to-day basis seems very small compared to the legacy Senator BYRD has left us over his many years as the longest serving Member of Congress. We will do our best in the time we have to honor his legacy and thank him today and every day going forward for what he has done for this institution. He kept the flame. He understood the importance of this body constitutionally, and he understood that the rules and procedures of this body were its lifeblood and really understood them and recognized them more than anyone else who has served in this Chamber and spent his life's work protecting them and memorializing them. To him, we owe a great commendation.

Ms. STABENOW. Mr. President, I rise today to pay tribute to a great Senator and a friend and mentor of mine, Senator ROBERT C. BYRD. When I look at his desk, a place from which he spoke such powerful words so many times, it is hard to believe he will not be on the floor of the Senate speaking powerfully about what he believed in—the people of West Virginia and the great issues of our day. He will be sorely missed.

He was orphaned as a child and grew up poor. He often told us about his foster father, who was a coal miner, who had to work hard to scrape together food and shelter for their family. He always spoke of working men and women and those who were working hard and having a hard time making ends meet. I know his heart was always with them.

From a young age, Senator BYRD learned the importance of hard work, dedication, and perseverance—skills that would serve him well throughout his long and very distinguished life.

After graduating from high school at the top of his class in 1934, he married his high school sweetheart Erma. Many of us knew her, and those who didn't knew of her because he would speak continually about the love of his life, his sweetheart Erma. After school, he went on to work at a number of odd jobs. He worked as a butcher during the Great Depression, earning less than \$15 a week. He worked as a gas station attendant. During World War II, he was a welder in a shipyard in Baltimore. But he never forgot his childhood and

where he came from. He knew how education had transformed his own life, and he never stopped trying to give every American that same opportunity.

After high school he couldn't afford to go to college. But after he was elected to the House of Representatives in 1953, he put himself through law school—the only Member of Congress ever to do that while in office. He joked that Erma put three children through school, himself and their two daughters.

His wife was the most important person in the world to him, and I know he was deeply saddened when Erma died in 2006, as were all of us who served in the Senate with him at that time.

He was a great mentor, a great friend, a great advocate for working families of Michigan and of America. I was proud to join with him many times as we fought for American workers, whether they were mine workers in West Virginia or auto workers in Michigan.

He loved West Virginia, the people and the landscape. One of his favorite Bible verses was from the Psalms:

I will lift up mine eyes unto the hills, from whence cometh my help.

In my office I proudly display a painting that Senator BYRD gave to me, which he painted himself while working in Baltimore so he could remember those hills and mountains of his childhood. Today, when I see that painting, I remember that Senator who gave so much for the people of West Virginia and the people of America. I was proud to stand with him as one of the 23—as he reminded me frequently—the 23 who opposed the original war in Iraq and stood up for our men and women who have bravely served us around the world as well.

Senator ROBERT C. BYRD—the Senate is a better place because of him and he will be sorely missed.

Mr. NELSON of Florida. Mr. President, 10 years ago I gave my maiden speech on the floor of the Senate. I was at a desk on the far side of the Chamber. In the course of that speech, I happened to mention that it was my maiden speech. I had been here about a month. I went on. I can even remember the subject. It was the deficit, since we were in a unique position that we actually had a surplus in the Federal Government and I did not want to see that surplus piddled away. I started talking about the budget and why it was necessary to keep the surplus, to utilize the surplus to pay down the national debt over a 10-year period.

Some minutes later, after I had said this was my maiden speech, all of a sudden the doors to the Chamber flung open and in came Senator ROBERT BYRD. As I was giving this first speech on the floor of the Senate, the greatest deliberative body in the world, he went over to his desk—the one that is draped with black cloth, and upon it sits the vase of flowers to note his passing—he sat there and he looked at me and listened to the rest of that oration.

As I concluded, the Senator from West Virginia rose and said: Will the Senator from Florida yield?

And I said: Of course I yield.

He proceeded, off the top of his head, from that incredible, detailed memory, to lay out the history of maiden speeches on the floor of the Senate. He had been back in his office, and he had heard me, in the course of the audio from the television, say this was my maiden speech. He came up and went into this long discourse about the importance of maiden speeches and who were the ones who had given them and how long into their service as a new Senator they had waited to give them.

Later on, as we were debating that budget, the great orator from West Virginia took the floor and began talking about a tax cut the Senate was considering; a tax cut he voted against, and so did this Senator from Florida. The Senator from West Virginia talked about this tax cut that was going to be a staggering \$1.6 trillion. This is what the great senior Senator from West Virginia said. "That is \$1,600 for every minute since Jesus Christ was born," Senator BYRD declared. He went on to say, "If we go for this big tax cut . . . that money . . . is gone."

We all like tax cuts, but what we have to have is a balance of tax cuts and spending cuts, given the position then that we had a surplus, and how to responsibly use that surplus to pay down the national debt. What we have is a reversal of that. We, of course, have a huge deficit because the revenues are not coming in to match the expenditures and, thus, additional problems that have accrued from not listening to the Senator who sat in that black-draped desk. No one else spoke like Senator BYRD or was as original as he was.

As we mark the passing of our dear colleague who, it has been said many times, was the longest serving Federal lawmaker since the founding of the Republic, as we mourn his passing, many will remember the Senator from West Virginia by the numbers and by the records he set. He made history. He brought depth and grace to the Senate. He is forever enshrined as a major part of its history.

I can tell you that 10 years ago, we freshmen had the blessing of being tutored—no, more than tutored; we were students, we were pupils of the master teacher. He taught us the rules, so important to the conduct of business in this body. But he taught us something more. He taught us decorum. He taught us how to preside as the Presiding Officer. He taught us that it is respectful that when you are presiding, you absolutely listen to the speaker. He taught us so much.

He was elected to no fewer than nine terms. He served first in the House for 6 years. He had cast over 18,000 votes. He presided over both the longest session of the Senate and the shortest. We had no fewer than 12 Presidents since he first took office.

But the numbers do not tell the full story. ROBERT BYRD was one of the greatest advocates for just plain folks and especially if they came from West Virginia. He gave them his all, after his first and foremost love, his devotion to his wife Erma. In the spirit of Thomas Jefferson, ROBERT BYRD always put public service ahead of personal fortune.

On my desk in my Senate office, as I would suspect on many other Senators' desks, are copies of Senator BYRD's addresses on the history of the Senate—more than 100 of those speeches delivered over a 10-year period. Those are the only books that are set on my personal desk with book ends of two American eagles. That study has been called the most ambitious study of the Senate ever undertaken. Every day, those books remind me of the living history of this institution and its vital role in our democracy.

Senator BYRD made rare and noble contributions to his family, his friends, his State, his country, and to this Senate. He was, in a living person, the walking history book of the Senate, which he could recite. Now, as he has gone on to the ages, he will be known as the historian of the Senate. And now forever for history, he will be one of the major parts of the Senate's history.

We mourn his passing, we miss him personally, we grieve for his family, and we are thankful there was a public servant who surely the Lord would say: Well done, thy good and faithful servant.

Mr. UDALL of New Mexico. Mr. President, I rise today to join my colleagues as we mourn the death and celebrate the life of a man who touched all of ours; a man who loved his country, loved the Senate, and dedicated his life to preserving its traditions; a man who above all cherished his State and who every day considered it his highest honor to represent her people.

On Monday morning, Senator ROBERT BYRD took his rightful place in our history books as a titan of the Senate. On Thursday we will honor him as his body lies in state in this Chamber where he served longer than any other Senator in our history. Today, we grieve his loss with his family and with the entire country.

My family's history with Senator BYRD goes back many years. My father, before he became Secretary of the Interior, served with Senator BYRD, then Congressman BYRD, in the House of Representatives. A half century later, my father's honor became my own. I am proud to have had the privilege of serving in this Chamber with Senator BYRD, of experiencing firsthand his distinguished service and remarkable career.

Senator BYRD will be remembered for many things. He will be remembered for his historic length of service; for his rise from humble roots to the pinnacles of political power; for his encyclopedic knowledge of Senate rules and procedure; and for his love of his wife of 68 years, Erma.

What I will remember Senator BYRD for is his willingness to stand up and fight for what he believed in. Two of the most pressing issues of the past decade are perfect examples—the wars in Iraq and Afghanistan. From the very beginning, Senator BYRD was a voice of opposition to the Iraq war. He delivered what will become one of his most memorable speeches in the days leading up to the Senate's vote to authorize its funding. He spoke out against a war at a time when any opposition to the President's path meant putting his own political future in jeopardy. But he did not waiver.

Here is part of what he said:

No one supports Saddam Hussein. If he were to disappear tomorrow, no one would shed a tear around the world. I would not. My handkerchief would remain dry. But the principle of one government deciding to eliminate another government, using force to do so, and taking that action in spite of world disapproval is a very disquieting thing. I am concerned that it has the effect of destabilizing the world community of nations. I am concerned that it fosters a climate of suspicion and mistrust in U.S. relations with other nations. The United States is not a rogue nation, given to unilateral action in the face of worldwide opprobrium.

Eight years and thousands of American lives lost later, his words read as prophetic.

But he didn't stop there. Last year—this time with his party holding the reins of power in both the White House and the Congress—he did the same thing. Seven years had passed, and Senator BYRD was older and more fragile than ever before. None of that stopped him from getting to the Senate floor that day. How did I know this? I had a front row seat as the presiding officer of the Senate that day.

This time, he questioned the proposed buildup of troops in Afghanistan—a proposal I myself had questioned many times as well. Here is what Senator BYRD said:

I have become deeply concerned that in the 8 years since the September 11 attacks, the reason for the U.S. military mission in Afghanistan has become lost, consumed in some broader scheme of nation-building which has clouded our purpose and obscured our reasoning.

He continued:

... President Obama and the Congress must reassess and refocus on our original and most important objective—namely emasculating a terrorist network that has proved its ability to inflict harm on the United States.

Time will tell if Senator BYRD's concerns about Afghanistan prove as prescient as those he expressed about Iraq almost a decade ago. Time also will tell if we heed those concerns.

What is clear is that Senator BYRD understood the importance of asking the tough questions, regardless of their impact on himself personally or professionally. In this regard, we could all learn a little bit from Senator BYRD.

I know my Senate colleagues will agree with me when I say this institution, this country, this democracy lost a powerful advocate this week, and all

of us in this Chamber lost a good friend.

Today I join with my colleagues in expressing my deepest sympathy to Senator BYRD's family for their loss and remembering a man whose legend and legacy will endure beyond us all.

Mr. KAUFMAN. Mr. President, I wish to spend a few minutes talking about a truly great Federal employee, and that is Senator ROBERT C. BYRD.

He personified all the things I try to talk about once a week, because ROBERT BYRD was a Federal employee. ROBERT BYRD was a creature of the U.S. Senate. ROBERT BYRD had his family, and he was a great family man, but the Senate was also his family, and he cared about everybody here.

I remember the first time I ever had contact with Senator BYRD was in 1972. On election day in 1972, JOE BIDEN, a 29-year-old candidate for the U.S. Senate, was elected to the Senate running against one of the most popular officials we ever had in the State of Delaware, a wonderful public servant and Federal employee, Caleb Boggs, who had been a Congressman and Governor before he became a Senator.

Just 6 weeks later, on December 18, when his wife and two sons and daughter were bringing their Christmas tree home, the car was hit by a tractor trailer and Senator BIDEN's wife and daughter were killed.

Shortly after that, my church, St. Mary Magdalen in Wilmington, DE, had a memorial service for his wife and daughter. I will never forget, it was a dark night. It was in December. It was just an ugly night out. The church was full, and it was a very moving ceremony. After it was over, I found out that Senator ROBERT BYRD had driven himself to Wilmington, DE, come into the church, stood in the back of the church for the entire service, and then turned around and drove home. And there are hundreds of stories like that where ROBERT BYRD demonstrated his great love for the Senate and for the people of the Senate.

There are traditions he instilled in the Senate and traditions he kept alive in the Senate. I remember when he was majority leader, I will tell you what, there were lots of things that just never happened because Senator BYRD was going to make sure we stuck to the traditions of the Senate. So I wish to recognize Senator ROBERT BYRD as a great, great Federal employee.

Mr. FEINGOLD. Mr. President, I join all Americans in mourning the passing of Senator ROBERT C. BYRD. For more than five decades, Senator ROBERT BYRD served his home State, his beloved West Virginia, with a dedication that is unsurpassed in our Nation's history.

Senator BYRD was legendary for that commitment to his State, for his outstanding service as both the Senate's majority and minority leader, and for his staunch defense of the U.S. Constitution throughout his many years of public service.

When I arrived in the Senate, Senator BYRD was in the midst of his sixth term, President pro tempore of the Senate, chairman of the Appropriations Committee and already a giant of the institution. It was an honor to work beside him in this body.

Senator BYRD was the longest serving Member of Congress in our Nation's history, elected to an unprecedented ninth term in the Senate in 2006. It was a long road from his humble beginnings in rural West Virginia to his long and distinguished service here. Along the way, Senator BYRD's life was characterized by hard work and a steely determination.

And of all the things he was determined to do, perhaps the most significant was his determination to get an education. Senator BYRD prized education, and fought to get one for himself despite difficult odds. That long effort culminated in Senator BYRD earning his law degree, after 10 years of night classes as he served in Congress by day. He was 46 years old when he graduated, and President John F. Kennedy presented him with the diploma.

He shared that love of learning as a champion of continuing education, and through the establishment of the Robert C. Byrd Honors Scholarship Program, which provides scholarships to high school seniors who show promise of continued excellence in postsecondary education.

Senator BYRD was dedicated to the Senate and served an invaluable role as a historian of the institution. He wrote a distinguished multivolume history of the Senate, and also authored several other books. In fact when I drafted my proposed constitutional amendment on Senate vacancies, I consulted one of his volumes on Senate history. He had written a chapter on the 17th amendment to the Constitution that was very helpful in putting the issue of Senate vacancies in a historical context.

As a student of Senate history, both the U.S. Senate and the Roman Senate, he was also a passionate defender of the powers of the legislative branch. One would expect no less of a man so devoted to our Constitution. Senator BYRD was eloquent as he spoke about the need to stand up for our Constitution and its principles here in the Senate, and faithfully carried a copy of the Constitution with him every day. He was very proud of his efforts to encourage students to learn more about this document and our great democracy.

In Senator BYRD's lifetime of leadership, he worked on so many important issues. As the Senate's majority leader, he helped to lead the fight against the undue influence of money in politics in an effort with then-Senator David Boren of Oklahoma. Together they sponsored campaign finance legislation and worked to pass it in what has been described as "one of the most extraordinary exhibitions of perseverance on the Senate floor, as BYRD led the Senate through eight unsuccessful votes to end a filibuster." While that legisla-

tion stalled, it was one of the efforts that paved the way for later reforms, and I am grateful for his efforts.

I respected him for that, and for so many of the principled stands he took during our service together, including his opposition to the Iraq war. He brought tremendous wisdom and insight to our work here and I know how much those gifts will be missed.

ROBERT C. BYRD was a man who sought to learn every day of his life, and in turn taught all of us a great deal. He taught us about our nation's history, about the people he represented, and about the institution of the Senate he loved. While Senator BYRD's passing is a loss for the nation, his legacy of innumerable achievements will live on for many, many years to come. My thoughts are with his family and many friends today.

Mr. JOHNSON. Mr. President, on Monday, we lost a colleague and dear friend with the passing of Senator ROBERT C. BYRD. My deepest sympathy goes out to his family, friends, dedicated staff, and the people of West Virginia. Senator BYRD was truly a giant among Senators. His presence will be greatly missed.

Few have had the command of history that Senator BYRD possessed, and I suspect none have matched his knowledge of the U.S. Constitution and the Senate in which he served. Senator BYRD never passed up the opportunity to give a history lesson, delivering impassioned speeches peppered with poetry, lessons from ancient Rome, and his unique understanding of the workings of this Chamber. He also never forgot to remind us of the importance of Mother's Day, the beauty of the first day of spring, or how devoted he was to his beloved wife Erma.

Senator BYRD held fiercely to his beliefs. Yet, he had the humility and wisdom to change beliefs he realized were wrong. History will remember Senator BYRD, not only for his numerous records of service, but for his unwavering commitment to education, public infrastructure, and the State of West Virginia.

This year, 19 outstanding high school students from my home State of South Dakota joined the ranks of thousands of Robert C. Byrd Honors Scholarship recipients that are furthering their education, in part, because of Senator BYRD's belief in the value of higher education. He embodied that belief in his own life, earning a law degree while serving in Congress and striving to continue learning each day.

Senator BYRD also understood the value of investing in the small, sometimes overlooked communities of his State. Where others saw "pork," he saw jobs, opportunities, and hope for hard-working Americans. He understood—better than most—that without roads, clean water, and reliable utilities, rural communities will struggle to reach their full potential.

Though he would later "walk with Kings, meet Prime Ministers and de-

bate with Presidents," Senator BYRD never forgot his roots in the hills of West Virginia. West Virginia lost a true champion, but his mark on the State will last far longer than even his half century in Congress.

I am honored to have served with Senator BYRD. This institution is a better place for his time here.

#### PROTECTING AFGHAN CIVILIANS

Mr. LEAHY. Mr. President, as we take stock of the changes made last week by President Obama to the military command in Afghanistan, there is a related issue that has been discussed in the press that is of particular concern to me.

I believe the President's decision to replace General McChrystal was the right decision. The published comments of the general and his aides were unquestionably insubordinate. They portrayed extraordinarily poor judgment and disrespect, and a deterioration of discipline that was unacceptable.

But putting aside those matters, I believe General McChrystal's command was notable for his recognition, to an unprecedented extent, of the importance of protecting the lives of innocent Afghan civilians for the safety of U.S. troops and to improve the chances of success of the mission.

Before General McChrystal's tenure, the need to do more to reduce civilian casualties was discussed, particularly after each incident when civilians were inadvertently killed or injured. But far too little was done about it. The frequent reliance on air power in areas where civilians were present caused many innocent casualties. Whole villages were destroyed. Wedding parties were wiped out. Night raids also often caused civilian deaths or injuries, as well as widespread anger and resentment towards U.S. troops who were perceived as disrespectful of Afghan customs.

General McChrystal implemented stricter rules of engagement to reduce these tragic incidents. While in some cases these rules have limited our troops' actions, they do not prevent soldiers from acting in self-defense when there is a real or perceived threat. There is no basis, as far as I am aware, military or otherwise, to criticize these efforts to protect civilian lives. Indeed, I believe more can still be done, particularly to prevent such unfortunate incidents at roadblocks and checkpoints, where those killed have, with few exceptions, turned out to be unarmed civilians who posed no threat. Their deaths caused great suffering for their families, and incited support for the Taliban in their communities.

Reducing civilian casualties, and by doing so winning the support of the Afghan people, is essential. In late April, the people of the town of Gizab, north of Kandahar, took up arms and ousted the Taliban. This is encouraging, but it is unlikely to continue to occur if the

United States and our ISAF partners are perceived by the civilian population as another invader.

I have my own concerns with the President's strategy in Afghanistan, which I will discuss at a later time. But today, as General Petraeus prepares to assume command of U.S. forces in Afghanistan, it is fortunate, I believe, that he knows from Iraq that winning the support and respect of the local population means much more than the cliché it has become. Progress in Afghanistan depends on it.

#### RECOGNIZING THE FRATERNAL ORDER OF EAGLES

Mr. HARKIN. Mr. President, one of the great joys of my job as Senator is working with non-profit organizations dedicated to improving the lives of all Americans. I would like to take a moment to salute one such organization, the Fraternal Order of Eagles.

The Fraternal Order of Eagles is an international nonprofit organization with over 1 million members worldwide. Established in 1898, the Fraternal Order of Eagles has truly made the lives of people across the world better by raising millions of dollars to combat cancer and heart disease, help children living with disabilities, and support the elderly.

Two years ago, over 700 delegates representing the Fraternal Order of Eagles voted by unanimous consent to commit \$25 million to the University of Iowa to create the world's premier diabetes research center. Already a world leader in medical and diabetes research, the University of Iowa has the unique ability to fully maximize every dollar being donated. But that isn't the only reason the Fraternal Order of Eagles selected the University of Iowa to receive these funds; both the Eagles and the University of Iowa have had a tradition of helping those in their communities and beyond for over a century.

One of the missions of the Fraternal Order of Eagles is to lessen the ills of mankind, and I can't think of a more appropriate way to do that than to join in the fight against diabetes. In the United States, over 23 million children and adults already suffer from the diabetes, with an additional 1.6 million adults being diagnosed every year. It is said that an ounce of prevention is worth a pound of cure, and perhaps nowhere is that more applicable than in the case of diabetes. Unlike other chronic diseases which do not appear until later in life, diabetes does not spare the young. Almost 200,000 Americans below the age of 20 suffer from diabetes. It was recently predicted that one in three children born in 2000 will eventually suffer from diabetes if current rates continue. The health care cost associated with caring for these patients is enormous, amounting to over \$170 billion in 2007. But the costs to patients and their loved ones who suffer from diabetes are even greater.

Patients with diabetes are subject to an increased risk of blindness, kidney failure, high blood pressure, need for amputations, nerve damage, and premature death. The potential benefits of a cure for diabetes are truly outstanding, and that is why donations such as the one made by the Fraternal Order of Eagles are so important to improving the lives of all Americans.

Martin Luther King Jr. once said, "Life's most persistent and urgent question is: What are you doing for others?" I think it is quite clear that the Fraternal Order of Eagles is doing a great deal. For this donation and for their other good works, I commend the Fraternal Order of Eagles.

#### HIRA

Mr. BURRIS. Mr. President, a few months ago, my colleagues and I passed a landmark health insurance reform bill.

President Obama signed it into law, and together we ushered in a new era of transparency, accountability, and cost savings for the American people.

Now, these reforms will go a long way towards fixing our broken health care system.

They will restore responsibility to the insurance market, and impose commonsense regulations, to ensure that every American can get a fair deal.

Some of these provisions have already gone into effect. Others will take time to implement correctly.

But as we move swiftly to translate this legislation into reality, we need to be mindful of those who would take advantage of this period of transition.

Already, there are reports that some health insurance companies have drastically increased their rates, using our reform law as an excuse.

I recently heard from Charles, a small business owner from Plano, IL, who reported that his employees will see their premiums go up by an average of almost 28 percent next year.

And some folks will have to pay an arbitrary increase of 35 percent—even though their benefits haven't changed yet.

That is because a few big insurance companies have chosen to hike up their profits before our health reform law requires them to improve their services as well.

Now, there is nothing wrong with making an honest buck.

But these abusive increases will make it harder for ordinary folks and small businesses to get coverage in the short term.

There is no question that they violate the spirit of our reform law—so I believe we need to take action.

It is time to close this loophole, so big companies must compete with others in an open marketplace—and so they can be held accountable for unreasonable rate hikes.

That is why I am proud to support the Health Insurance Rate Authority Act.

This legislation would require insurance companies to justify major increases in their premiums—a power that already resides with regulators in a handful of States.

Our bill would merely bring similar regulatory authority to a national level, in response to numerous claims of abuse all across the country.

Mr. President, this wouldn't put insurers out of business or prevent them from making an honest profit, but it would increase transparency, restore accountability, and ensure that these corporations can remain solvent.

In my home State of Illinois, some insurers must already supply rate increase information to the State department of insurance.

But under current law, regulators are powerless to rein in obvious abuses when they occur.

And as a result, small business owners like Charles—and countless folks in the individual market—are held hostage to the same corporate agendas that led us to pass a health reform law in the first place.

This is unacceptable. We need to pass the Health Insurance Rate Authority Act, to keep insurance providers in check until the full effects of the new law have taken hold.

I would urge my colleagues to join with me in standing up to the insurance giants.

Let's give regulators the authority to approve or deny excessive rate hikes, so we can make sure every American can get a fair deal—starting today.

#### REMEMBERING DONALD J. RUHL

Mr. BARRASSO. Mr. President, this weekend, the citizens of Greybull, WY gather to dedicate a monument at the Donald J. Ruhl Memorial Cemetery. This monument is the culmination of the hopes, dreams and hard work of dozens of people in the community. A true American hero was laid to rest in their cemetery, and these committed individuals wanted his memory to be honored forever. Donald served our Nation during World War II as a marine. His bravery and ultimate sacrifice earned him our Nation's most distinguished recognition, the Medal of Honor.

Donald J. "Johnny" Ruhl, enlisted in the Marine Corps Reserve on September 12, 1942. Immediately going on active duty, the new recruit used his lifelong experience with firearms to qualify as a sharpshooter, and demonstrated his endurance by becoming a combat swimmer. Following his exemplary performance at boot camp, Private Ruhl volunteered for Parachute Training School. At the conclusion of this 5-week training, Ruhl was promoted to private first class and assigned to further training in New Caledonia.

He first saw combat at Bougainville, but it was his actions at Iwo Jima that truly demonstrated his heroism. In February 1945, Johnny departed from

Saipan aboard the USS LST 481, headed for the shores of Iwo Jima. Private First Class Ruhl displayed his courage from the onset of D-day at Iwo Jima on February 19, 1945. Johnny recognized his role early on in the battle attacking a group of eight Japanese soldiers single-handedly. Private First Class Ruhl confirmed his valor and bravery by risking his own life to rescue a marine wounded ahead of the front line—ensuring that the man was transported to an aid station, regardless of the threat to Ruhl.

Ruhl continued to establish his commitment to the cause by returning from the aid station to voluntarily investigate an abandoned Japanese gun emplacement. With boundless courage, he prevented the enemy from regaining possession of the valuable site by occupying the position throughout the night. On February 21, Johnny demonstrated his true selfless nature. As Company E, 2nd Battalion, 28th Marines, 5th Marine Division pushed forward on their quest to capture Mount Suribachi, Private First Class Ruhl along with his platoon guide, pressed their position to the top of a Japanese bunker. As the marines prepared to fire upon the enemy troops, a grenade landed between them. While notifying the platoon guide, Ruhl dove onto the grenade, absorbing the full detonation with his body. This sacrifice saved the lives of all of the nearby marines. Thanks in great part to this selfless act, Company E was able to raise an American flag on the top of Mount Suribachi.

In awarding Private First Class Ruhl the Medal of Honor posthumously, President Truman recognized Johnny's efforts, stating "An indomitable fighter, PFC Ruhl rendered heroic service toward the defeat of a ruthless enemy." . . . Certainly Truman was correct when he continued praising Ruhl's dedication to our Nation and his fellow marines, ". . . his valor, initiative and unfaltering spirit of self-sacrifice in the face of almost certain death sustained and enhanced the highest traditions of the United States Naval Service."

PFC Donald J. Ruhl embodied the Marine Corps motto, *Semper Fidelis*, committing his life, and his death, to loyalty to the Corps and his country. The community of Greybull has done well to recognize this hero. They have demonstrated their faithfulness to his memory by renaming his eternal resting place. His gift to our country will never be forgotten—in passing his memorial, we will forever know that Donald J. Ruhl gave all so our country could remain free.

#### NATIONAL HEREDITARY HEMORRHAGIC TELANGIECTASIA MONTH

Mr. JOHNSON. Mr. President, I rise today in recognition of National Hereditary Hemorrhagic Telangiectasia—HHT—Month to raise awareness of this

public health threat and encourage greater prevention, diagnosis and treatment efforts.

Hereditary Hemorrhagic Telangiectasia, HHT, also referred to as Osler-Weber-Rendu Syndrome, is a complex genetic blood vessel disorder that affects approximately 70,000, or 1 in 5,000, Americans. It is characterized by irregular blood vessel growths, or telangiectases, in the nasal mucosa, mouth, gastrointestinal tract, and skin of the face and hands, as well as artery-vein malformations—AVMs—in the major organs including the lungs, brain, and liver. If left misdiagnosed or untreated, HHT can result in considerable morbidity and mortality.

It is estimated that 20 to 40 percent of debilitating and life-threatening complications and sudden death due to these "vascular time bombs" are preventable. Twenty percent of those with HHT, regardless of age, suffer death or disability. HHT has been subject to underreporting for many years. Approximately 90 percent of the HHT population is not yet diagnosed and is at risk for sudden rupture of the blood vessels in major organs in the body, such as the brain and lungs, and other complications due to nosebleeds and gastrointestinal bleeding.

It is my hope that efforts throughout the month of June will increase awareness of HHT and mitigate the preventable health threats posed by this disorder.

#### ADDITIONAL STATEMENTS

##### TRIBUTE TO COLONEL CLARENCE S. PARKER

• Mr. CHAMBLISS. Mr. President, I wish to join with my colleague, Senator ISAKSON, today to honor the accomplishments of COL Clarence S. Parker of Valdosta, GA, in the RECORD of the Senate.

For most of his life, Colonel Parker has been a dedicated pilot. In 1940, when the United States was on the brink of war, Colonel Parker was prepared to fight for his loved ones and his nation. A native of Houston, TX, Colonel Parker began his lengthy career in aviation while enrolled as a student at the University of Houston.

After the Japanese attack on Pearl Harbor, Colonel Parker entered the U.S. Army Air Corps in January of 1942. He completed military flight training and was commissioned in September of that year. During World War II, Colonel Parker was an instructor pilot at Waco Army Airfield, primarily in the BT-13 and the P-40 aircraft. He flew during the early phases of the Berlin Airlift, and later ascended to a position of leadership as the chief of flight procedures from 1948 until the end of the airlift. In 1950, he returned to the U.S. to serve at the Pentagon in the U.S. Air Force Headquarters and also at Tyndall Air Force Base in Florida. Following service in Vietnam, he fin-

ished his military career as wing commander at Moody Air Force Base in Valdosta, GA, flying T-37 and T-38 aircraft.

Following his retirement in 1971, Colonel Parker made Valdosta, GA, his home. He became heavily involved in the operations and upkeep of the Valdosta Municipal Airport and began a second career in banking. During his tenure as chairman of the airport authority from 1987 to 2005, he was instrumental in earning funding for several major construction projects, including a project to lengthen the main instrument runway to 8,002 feet.

Colonel Parker remains an active pilot with over 7,500 hours of flight time. He continues to work with the Valdosta-Lowndes Chamber of Commerce to benefit the flying activities at both Moody Air Force Base and in the Valdosta civil aviation community. Additionally, he remains a consultant to the Valdosta-Lowndes County Airport Authority.

Colonel Parker has enjoyed a career that is extraordinary in length, quality of service, and leadership. For these reasons, he has been selected to receive the Federal Aviation Administration's Wright Brothers Master Pilot Award. The Wright Brothers Master Pilot Award recognizes pilots who have maintained safe flight operations for 50 or more consecutive years. We can think of no higher award for a pilot, and we are proud to recognize Colonel Parker for his receipt of the Wright Brothers Master Pilot Award.●

##### TRIBUTE TO SARAH MARGARET AKER

• Mr. THUNE. Mr. President, today I recognize Sarah Margaret Aker, an intern in my Washington, DC, office, for all of the hard work she has done for me, my staff, and the State of South Dakota over the past several weeks.

Sarah is a graduate of Sturgis Brown High School, Sturgis, SD. Currently, she is attending the University of South Dakota, where she is majoring in chemistry and political science. She is a hard worker who has been dedicated to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Sarah for all of the fine work she has done and wish her continued success in the years to come.●

##### TRIBUTE TO KEATON JACE BAUMAN

• Mr. THUNE. Mr. President, today I recognize Keaton Jace Bauman, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota over the past several weeks.

Keaton is a graduate of Huron High School in Huron, SD. Currently, he is attending the University of South Dakota, where he is majoring in history and political science. He is a hard



worker who has been dedicated to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Keaton for all of the fine work he has done and wish him continued success in the years to come.●

#### TRIBUTE TO ABIANE CAMPBELL

● Mr. THUNE. Mr. President, today I recognize Abiane Campbell, an intern in my Washington, DC, office, for all of the hard work she has done for me, my staff, and the State of South Dakota over the past several weeks.

Abiane is a graduate of Yankton High School in Yankton, SD. Currently, she is attending the Winona State University, where she is majoring in business administration and paralegal studies. She is a hard worker who has been dedicated to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Abiane for all of the fine work she has done and wish her continued success in the years to come.●

#### TRIBUTE TO HAYDEN MATHIAS FUCHS

● Mr. THUNE. Mr. President, today I recognize Hayden Mathias Fuchs, an intern in my Washington, DC, office, for all of the hard work he has done for me, my staff, and the State of South Dakota over the past several weeks.

Hayden is a graduate of Stevens High School in Rapid City, SD. Currently, he is attending the University of Kansas, where he is majoring in business-finance and business-management. He is a hard worker who has been dedicated to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Hayden for all of the fine work he has done and wish him continued success in the years to come.●

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting Sunday nominations and a treaty which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

#### MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT ON JUNE 28, 2010

##### ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 6, 2009, the Sec-

retary of the Senate, on June 28, 2010, during the adjournment of the Senate, received a message from the House announcing that the Speaker has signed the following enrolled bill:

H.R. 2194. An act to amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran.

#### MESSAGES FROM THE HOUSE

At 10:27 a.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3913. An act to direct the Mayor of District of Columbia to establish a District of Columbia National Guard Educational Assistance Program to encourage the enlistment and retention of persons in the District of Columbia National Guard by providing financial assistance to enable members of the National Guard of the District of Columbia to attend undergraduate, vocational, or technical courses.

The message also announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1510. An act to transfer statutory entitlements to pay and hours of work authorized by the District of Columbia Code for current members of the United States Secret Service Uniformed Division from the District of Columbia Code to the United States Code.

At 2:20 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5611. An act to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

At 4:56 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5623. An act to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

The message further announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 33. Joint resolution to provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

At 5:36 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House agreed to the following resolution:

H. Res. 1484. Resolution relative to the death of the Honorable ROBERT C. BYRD, a Senator from the State of West Virginia.

#### MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3913. An act to direct the Mayor of the District of Columbia to establish a District of Columbia National Guard Educational Assistance Program to encourage the enlistment and retention of persons in the District of Columbia National Guard by providing financial assistance to enable members of the National Guard of the District of Columbia to attend undergraduate, vocational, or technical courses; to the Committee on Homeland Security and Governmental Affairs.

H.R. 5116. An act to invest in innovation through research and development, to improve the competitiveness of the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

#### MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 5175. An act to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.

#### MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 5623. An act to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, and for other purposes.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6441. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Pasteuria usgae; Exemption from the Requirement of a Tolerance" (FRL No. 8831-9) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6442. A communication from the Chief of Research and Analysis, Food and Nutrition Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Supplemental Nutrition Assistance Program: Quality Control Provisions of Title IV of Public Law 107-171" (RIN0584-AD31) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6443. A communication from the Congressional Review Coordinator, Animal and

Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Asian Longhorned Beetle; Quarantined Area and Regulated Articles" (Docket No. APHIS-2010-0004) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6444. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Citrus Greening and Asian Citrus Psyllid; Quarantine and Interstate Movement Regulations" (RIN0579-AC85) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6445. A communication from the Deputy Under Secretary of Defense (Acquisition, Technology and Logistics), transmitting, pursuant to law, a report relative to the Department's purchases from foreign entities for Fiscal Year 2009; to the Committee on Armed Services.

EC-6446. A communication from the Under Secretary of Defense (Acquisition, Technology, and Logistics), transmitting, pursuant to law, a report entitled, "Federally Funded Research and Development Center's Estimated FY 2011 Staff-years of Technical Effort (STEs) and Estimated Funding"; to the Committee on Armed Services.

EC-6447. A communication from the Assistant to the Secretary of Defense, Nuclear and Chemical and Biological Defense Programs, transmitting, pursuant to law, the Department of Defense (DoD) Chemical and Biological Defense Program (CBDP) Annual Report to Congress for 2010; to the Committee on Armed Services.

EC-6448. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Mexico; to the Committee on Banking, Housing, and Urban Affairs.

EC-6449. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Mexico; to the Committee on Banking, Housing, and Urban Affairs.

EC-6450. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Brazil; to the Committee on Banking, Housing, and Urban Affairs.

EC-6451. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Honduras; to the Committee on Banking, Housing, and Urban Affairs.

EC-6452. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Changes in Final Flood Elevation Determinations" ((44 CFR Part 67)(Docket No. FEMA-2010-0003)) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6453. A communication from the Associate Director, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Republication of Appendix A to 31 CFR Chapter V" received in the Office of the President of the Senate on June 15, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC-6454. A communication from the Assistant Administrator for Fisheries, National

Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species; 2010 Atlantic Bluefin Tuna Quota Specifications" (RIN0648-AY77) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6455. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Revisions to the Export Administration Regulations Based Upon a Systematic Review of the Commerce Control List: Additional Changes" (RIN0694-AE56) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6456. A communication from the Chief of Staff, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Culebra, Puerto Rico, Charlotte Amalie, and Christiansted, Virgin Islands)" (MB Docket No. 08-243) received in the Office of the President of the Senate on June 25, 2010; to the Committee on Commerce, Science, and Transportation.

EC-6457. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, Yolo-Solano Air Quality Management District" (FRL No. 9167-6) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6458. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Emergency Planning and Community Right-to-Know Act; Guidance on Reporting Options for Sections 311 and 312 and Interpretations" (FRL No. 9168-7) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6459. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Disapproval of California State Implementation Plan Revisions, Monterey Bay Unified Air Pollution Control District" (FRL No. 9169-3) received in the Office of the President of the Senate on June 24, 2010; to the Committee on Environment and Public Works.

EC-6460. A communication from the Chairman, Medicare Payment Advisory Commission, transmitting, pursuant to law, a report entitled "Report to the Congress: Aligning Incentives in Medicare"; to the Committee on Finance.

EC-6461. A communication from the Program Manager, Office of the National Coordinator for Health Information Technology, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Establishment of the Temporary Certification Program for Health Information Technology" (RIN0991-AB59) received in the Office of the President of the Senate on June 23, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6462. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, (2) reports entitled "Community Services Block Grant (CSBG)

Program Report" and "Community Services Block Grant Performance Measurement Report"; to the Committee on Health, Education, Labor, and Pensions.

EC-6463. A communication from the Chairman, Merit System Protection Board, transmitting, pursuant to law, a report entitled "Prohibited Personnel Practices—A Study Retrospective"; to the Committee on Homeland Security and Governmental Affairs.

EC-6464. A communication from the Secretary, Judicial Conference of the United States, transmitting, legislative proposals relative to the fiscal year 2010 supplemental proposals in the fiscal year 2011 Budget for the Department of Homeland Security; to the Committee on the Judiciary.

EC-6465. A communication from the Deputy Director, National Legislative Commission, The American Legion, transmitting, pursuant to law, a report relative to the financial condition of The American Legion as of December 31, 2009; to the Committee on the Judiciary.

EC-6466. A communication from the Staff Director, U.S. Sentencing Commission, transmitting, pursuant to law, the 2009 Annual Report and Sourcebook of Federal Sentencing Statistics; to the Committee on the Judiciary.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mrs. BOXER, from the Committee on Environment and Public Works, without amendment:

S. 3373. A bill to address the health and economic development impacts of nonattainment of federally mandated air quality standards in the San Joaquin Valley, California, by designating air quality empowerment zones (Rept. No. 111-218).

By Mr. KERRY, from the Committee on Foreign Relations, with an amendment in the nature of a substitute:

S. 1382. A bill to improve and expand the Peace Corps for the 21st century, and for other purposes (Rept. No. 111-219).

By Mr. LIEBERMAN, from the Committee on Homeland Security and Governmental Affairs, without amendment:

H.R. 4861. A bill to designate the facility of the United States Postal Service located at 1343 West Irving Park Road in Chicago, Illinois, as the "Steve Goodman Post Office Building".

H.R. 5051. A bill to designate the facility of the United States Postal Service located at 23 Genesee Street in Hornell, New York, as the "Zachary Smith Post Office Building".

H.R. 5099. A bill to designate the facility of the United States Postal Service located at 15 South Main Street in Sharon, Massachusetts, as the "Michael C. Rothberg Post Office".

S. 3465. A bill to designate the facility of the United States Postal Service located at 15 South Main Street in Sharon, Massachusetts, as the "Michael C. Rothberg Post Office".

## EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of nominations were submitted:

By Mr. LEVIN for the Committee on Armed Services.

\*Army nomination of Gen. David H. Petraeus, to be General.

\*Army nomination of Lt. Gen. Lloyd J. Austin III, to be General.

\*Army nomination of Gen. Raymond T. Odierno, to be General.

Army nomination of Lt. Gen. Francis H. Kearney III, to be Lieutenant General.

Marine Corps nomination of Brig. Gen. Rex C. McMillian, to be Major General.

Navy nomination of Rear Adm. (1h) Alton L. Stocks, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) William A. Brown, to be Rear Admiral.

Navy nomination of Capt. Elaine C. Wagner, to be Rear Admiral (lower half).

Navy nomination of Capt. Colin G. Chinn, to be Rear Admiral (lower half).

Navy nominations beginning with Capt. Willie L. Metts and ending with Capt. Jan E. Tighe, which nominations were received by the Senate and appeared in the Congressional Record on April 14, 2010.

Navy nomination of Capt. Thomas H. Bond, Jr., to be Rear Admiral (lower half).

Navy nomination of Rear Adm. (1h) Samuel J. Cox, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) Michael S. Rogers, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) David G. Simpson, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) David A. Dunaway, to be Rear Admiral.

Navy nominations beginning with Rear Adm. (1h) Terry J. Benedict and ending with Rear Adm. (1h) Thomas J. Eccles, which nominations were received by the Senate and appeared in the Congressional Record on April 28, 2010.

Navy nomination of Capt. James H. Rodman, Jr., to be Rear Admiral (lower half).

Navy nomination of Capt. Victor M. Beck, to be Rear Admiral (lower half).

Navy nomination of Capt. Gerald W. Clusen, to be Rear Admiral (lower half).

Navy nomination of Capt. Bryan P. Cutchen, to be Rear Admiral (lower half).

Navy nomination of Rear Adm. (1h) Patricia E. Wolfe, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) Donald R. Gintzig, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) Steven M. Talson, to be Rear Admiral.

Navy nomination of Rear Adm. (1h) Lothrop S. Little, to be Rear Admiral.

Navy nominations beginning with Rear Adm. (1h) Garry J. Bonelli and ending with Rear Adm. (1h) Robert O. Wray, Jr., which nominations were received by the Senate and appeared in the Congressional Record on May 24, 2010.

Navy nomination of Capt. Margaret A. Rykowski, to be Rear Admiral (lower half).

Navy nomination of Capt. Gregory C. Horn, to be Rear Admiral (lower half).

Navy nomination of Capt. Paula C. Brown, to be Rear Admiral (lower half).

Navy nomination of Rear Adm. (1h) Scott A. Weikert, to be Rear Admiral.

Navy nominations beginning with Captain Kelvin N. Dixon and ending with Captain John C. Sadler, which nominations were received by the Senate and appeared in the Congressional Record on May 5, 2010. (minus 1 nominee: Captain Luke M. McCollum)

Mr. LEVIN. Mr. President, for the Committee on Armed Services I report favorably the following nomination lists which were printed in the RECORDS on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Air Force nominations beginning with Jeremy C. Aamold and ending with Peter W. Zumwalt, which nominations were received by the Senate and appeared in the Congressional Record on March 3, 2010.

Air Force nominations beginning with Mark J. Aguiar and ending with Melinda A. Williamson, which nominations were received by the Senate and appeared in the Congressional Record on April 21, 2010.

Air Force nominations beginning with Verona Boucher and ending with James A. Young, which nominations were received by the Senate and appeared in the Congressional Record on April 21, 2010.

Marine Corps nominations beginning with Adam M. King and ending with James D. Valentine, which nominations were received by the Senate and appeared in the Congressional Record on May 27, 2010.

Navy nomination of Lynn A. Oschmann, to be Captain.

Navy nomination of Diane C. Boettcher, to be Captain.

Navy nominations beginning with Stephen J. Lepp and ending with Melanie F. Obrien, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nomination of Caroline M. Gaghan, to be Captain.

Navy nominations beginning with David W. Howard and ending with Carl R. Torres, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Kevin A. Askin and ending with Craig S. Fehrle, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with John B. Holt and ending with Christopher R. Stearns, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nomination of Jeffrey S. Tandy, to be Captain.

Navy nominations beginning with Russell L. Coons and ending with Scott C. Rye, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Kevin P. Bennett and ending with Paul F. White, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Richard A. Balzano and ending with Mark J. Winter, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with John T. Archer and ending with Andrew D. McDonald, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Steven T. Beldy and ending with Dan A. Starling, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with James D. Beardsley and ending with Christopher S. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2010.

Navy nominations beginning with Lloyd P. Brown, Jr. and ending with Vincentius J. Vanjoolen, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Danny K. Busch and ending with Michael Ziv, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with William S. Dillon and ending with Michael J. Vangheem, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Nora A. Burghardt and ending with Rick T. Taylor, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Bruce J. Black and ending with David G. Wirth, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Chad F. Acey and ending with Steven G. Weldon, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with James S. Biggs and ending with Harold E. Williams, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Richard W. Haupt and ending with Joseph A. Surette, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Edward A. Bradfield and ending with Scott E. Organ, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Brian D. Connon and ending with Erika L. Sauer, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Conrado K. Alejo and ending with Richard D. Jones, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with Eric D. Cheney and ending with Cynthia M. Womble, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nominations beginning with James A. Aiken and ending with Theodore A. Zobel, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2010.

Navy nomination of James R. Peltier, to be Captain.

Navy nominations beginning with Joseph C. Aquilina and ending with William M. Wike, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Stephen G. Alfano and ending with Terry D. Webb, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Christopher A. Blow and ending with Linda D. Youberg, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Jeffrey A. Fischer and ending with Tracy V. Riker, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Catherine A. Bayne and ending with Mary A. Yonk, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with John D. Brughelli and ending with Polly S. Wolf, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Billy M. Appleton and ending with Mil A. Yi, which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nominations beginning with Eric M. Aaby and ending with George N. Suther,

which nominations were received by the Senate and appeared in the Congressional Record on May 13, 2010.

Navy nomination of Axel L. Steiner, to be Lieutenant Commander.

Navy nomination of Clifford R. Shearer, to be Commander.

\*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. HAGAN (for herself and Mr. FRANKEN):

S. 3543. A bill to amend title XVIII of the Social Security Act to expand access to medication therapy management services under the Medicare prescription drug program; to the Committee on Finance.

By Ms. MIKULSKI:

S. 3544. A bill to amend the Immigration and Nationality Act to modify the requirements of the visa waiver program and for other purposes; to the Committee on the Judiciary.

By Ms. LANDRIEU:

S. 3545. A bill to require a study of the effect of a 6-month moratorium on new deep-water drilling in the Gulf of Mexico on small businesses; to the Committee on Small Business and Entrepreneurship.

By Mr. SCHUMER:

S. 3546. A bill to create a penalty for automobile insurance fraud, and for other purposes; to the Committee on the Judiciary.

By Mr. NELSON of Florida:

S. 3547. A bill to prohibit price gouging relating to gasoline and diesel fuels in areas affected by major disasters, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. CASEY (for himself, Mr. BROWN of Ohio, Mr. KERRY, Mr. LEVIN, Mr. WHITEHOUSE, Ms. STABENOW, Mr. LEAHY, Mr. DODD, Mr. FRANKEN, Mr. BURRIS, and Mr. AKAKA):

S. 3548. A bill to provide for the extension of premium assistance for COBRA benefits; to the Committee on Finance.

By Mr. TESTER (for himself, Mr. BENNETT, Mr. BAYH, and Mr. VITTER):

S. 3549. A bill to amend the effective date of the gift card provisions of the Credit Card Accountability Responsibility and Disclosure Act of 2009; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MERKLEY (for himself, Mr. CRAPO, Mr. BAUCUS, Mr. TESTER, and Mr. WYDEN):

S. 3550. A bill to amend the Federal Water Pollution Control Act to establish within the Environmental Protection Agency a Columbia Basin Restoration Program; to the Committee on Environment and Public Works.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FEINGOLD (for himself, Ms. KLOBUCHAR, and Mr. FRANKEN):

S. Res. 573. A resolution urging the development of a comprehensive strategy to ensure stability in Somalia, and for other purposes; to the Committee on Foreign Relations.

By Mr. REID (for himself and Mr. MCCONNELL):

S. Res. 574. A resolution relative to the memorial observances of the Honorable Robert C. Byrd, late a Senator from the State of West Virginia; considered and agreed to.

By Mr. REID (for himself and Mr. MCCONNELL):

S. Con. Res. 65. A concurrent resolution providing for the use of the catafalque situated in the Exhibition Hall of the Capitol Visitor Center in connection with memorial services to be conducted in the United States Senate Chamber for the Honorable Robert C. Byrd, late a Senator from the State of West Virginia; considered and agreed to.

#### ADDITIONAL COSPONSORS

S. 311

At the request of Mrs. BOXER, the name of the Senator from Illinois (Mr. BURRIS) was added as a cosponsor of S. 311, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 941

At the request of Mr. CRAPO, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 941, a bill to reform the Bureau of Alcohol, Tobacco, Firearms, and Explosives, modernize firearm laws and regulations, protect the community from criminals, and for other purposes.

S. 1450

At the request of Mr. ENSIGN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1450, a bill to enable State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces.

S. 1674

At the request of Mr. WYDEN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1674, a bill to provide for an exclusion under the Supplemental Security Income program and the Medicaid program for compensation provided to individuals who participate in clinical trials for rare diseases or conditions.

S. 2816

At the request of Mr. BUNNING, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2816, a bill to repeal the sunset of the Economic Growth and Tax Relief Reconciliation Act of 2001 with respect to the expansion of the adoption credit and adoption assistance programs and to allow the adoption credit to be claimed in the year expenses are incurred, regardless of when the adoption becomes final.

S. 3034

At the request of Mr. SCHUMER, the names of the Senator from Louisiana

(Ms. LANDRIEU) and the Senator from Delaware (Mr. KAUFMAN) were added as cosponsors of S. 3034, a bill to require the Secretary of the Treasury to strike medals in commemoration of the 10th anniversary of the September 11, 2001, terrorist attacks on the United States and the establishment of the National September 11 Memorial & Museum at the World Trade Center.

S. 3058

At the request of Mr. DORGAN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 3058, a bill to amend the Public Health Service Act to reauthorize the special diabetes programs for Type I diabetes and Indians under that Act.

S. 3227

At the request of Mr. HATCH, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 3227, a bill to authorize the Archivist of the United States to make grants to States for the preservation and dissemination of historical records.

S. 3246

At the request of Mr. WYDEN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 3246, a bill to exclude from consideration as income under the Native American Housing Assistance and Self-Determination Act of 1996 amounts received by a family from the Department of Veterans Affairs for service-related disabilities of a member of the family.

S. 3255

At the request of Mrs. LINCOLN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 3255, a bill to amend title XVIII of the Social Security Act to provide coverage for custom fabricated breast prostheses following a mastectomy.

S. 3329

At the request of Mr. LAUTENBERG, the name of the Senator from Colorado (Mr. BENNET) was added as a cosponsor of S. 3329, a bill to provide triple credits for renewable energy on brownfields, and for other purposes.

S. 3434

At the request of Mr. BINGAMAN, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 3434, a bill to provide for the establishment of a Home Star Retrofit Rebate Program, and for other purposes.

S. 3477

At the request of Mr. WEBB, the name of the Senator from Nebraska (Mr. JOHANNES) was added as a cosponsor of S. 3477, a bill to ensure that the right of an individual to display the Service Flag on residential property not be abridged.

S. 3479

At the request of Mrs. HAGAN, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from Ohio (Mr. BROWN) were added as cosponsors of S. 3479, a bill to authorize

the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, to establish and implement a birth defects prevention, risk reduction, and public awareness program.

S. 3541

At the request of Mrs. FEINSTEIN, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 3541, a bill to prohibit royalty incentives for deepwater drilling, and for other purposes.

S. RES. 554

At the request of Mr. ENZI, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. Res. 554, a resolution designating July 24, 2010, as "National Day of the American Cowboy".

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. HAGAN (for herself and Mr. FRANKEN):

S. 3543. A bill to amend title XVIII of the Social Security Act to expand access to medication therapy management services under the Medicare prescription drug program; to the Committee on Finance.

Mrs. HAGAN. Mr. President, today, I am proud to introduce the Medication Therapy Management, MTM, Expanded Benefits Act of 2010, with my colleague from Minnesota, Senator FRANKEN.

A recent analysis conducted by the New England Healthcare Institute estimates that the overall cost of medication nonadherence is as much as \$290 billion per year. According to a recent article published in the *New England Journal of Medicine*, over \$100 billion is spent annually on avoidable hospitalizations because patients do not take their medications correctly.

Not only does nonadherence cost our system billions of dollars, nonadherence to medication regimens also affects the quality of life for seniors and may lead to early death. The elderly typically take many more prescription medicines than the general population and therefore are at greater risk for problems associated with improper use of medications. For example, the same *New England Journal of Medicine* article I just reference found that better adherence to antihypertensive treatment alone could prevent 89,000 premature deaths in the U.S. annually.

With as much as one half of all patients in the U.S. not following their doctors' orders regarding their medications, medication therapy management could help reduce some of the wasted health care costs in our system.

North Carolina has implemented some very successful MTM programs.

The Asheville Project, which focuses on diabetes, asthma, and cardiovascular disease, has seen improved health outcomes and significant savings among city employees since it began in 1997. For example, in the Asheville Project's diabetes MTM

Project, they have seen a decrease in medical costs of between \$1,622 to \$3,356 per patient per year; a decrease in insurance claims of \$2,704 per patient in year 1 and a \$6,502 decrease in year 5; a 50 percent decrease in use of sick days; and increased productivity gains estimated at \$18,000 annually.

In 2007, the North Carolina Health and Wellness Trust Fund Commission launched an innovative statewide program, Checkmeds NC, to provide MTM services to North Carolina seniors. During the program's first year, more than 15,000 North Carolina seniors and 285 pharmacists participated. The seniors bring all of their prescriptions, over-the-counter medicines, vitamins and supplements to the pharmacy to be thoroughly reviewed in a one-on-one session. The pharmacist follows up and educates the patient about his or her medication regimen. The program saved an estimated \$10 million, and countless health problems were avoided.

During consideration of health care reform, I was pleased to have successfully secured language in the bill that built off these North Carolina models and implemented MTM nationally for seniors suffering from two or more chronic conditions.

The bill I am introducing today takes MTM one step further. Specifically, this bill would expand MTM eligibility to seniors with any chronic condition that accounts for high spending in our health care system, such as heart failure and diabetes. Currently, only 12.9 percent of Part D beneficiaries are eligible under the MTM criteria for multiple chronic conditions. However, of those, more than 85 percent have chosen to participate in the benefit. Clearly this program is very popular and widely utilized by those who are already eligible. By expanding eligibility to more seniors, MTM will certainly result in Medicare savings.

The bill also ensures access to MTM for seniors at a pharmacy or with a qualified health care provider of their choice.

To ensure pharmacists and health care providers are able to provide MTM to seniors, this bill ensures they are appropriately reimbursed for their time and service. This provision will permit pharmacies and other health care providers to spend considerable time and resources evaluating a person's drug routine and educating them on proper usage—all critical components of a successful MTM program.

Finally, this bill would establish standards for data collection to evaluate and improve the Part D MTM benefit.

The value of MTM is widely known and discussed. I am proud that North Carolina is a leader in this arena. Expansion of MTM to more seniors will no doubt improve their overall health, while at the same time reducing waste in our health care system.

I urge my colleagues to support this bill.

Mr. FRANKEN. Mr. President, I am proud today to be joining Senator HAGAN in introducing the MTM Expanded Benefits Act.

We all know that prescription drugs are an essential part of health care. What a lot of people don't know is that only about 50 percent of Americans typically take their medicines as prescribed. This means that too often, the benefits of these important therapies aren't fully realized. According to a recent article in the *New England Journal of Medicine*, over \$100 billion is spent annually on avoidable hospitalizations because patients don't take their medications correctly.

The MTM Expanded Benefits Act would help improve the care for seniors by increasing access to the medication therapy management benefit—also known as MTM—in the Medicare Part D prescription drug program.

Medication therapy management is a proven set of services that helps patients get the best possible results from their medications. MTM services are provided by pharmacists who work with patients and their health care providers to make sure that seniors are taking medications as they should be. Through MTM, patients get focused education to make sure they understand their medications—what conditions the drugs treat and how to avoid drug interactions that can make medications less effective or even dangerous.

It is not uncommon for a Minnesota senior who has diabetes to be taking 10 or more medications that are prescribed by multiple providers. But right now under Medicare, you would have to have at least four chronic conditions before you would become eligible for MTM. That just doesn't make sense to me.

Under the MTM Expanded Benefits Act, seniors with any chronic condition could benefit from MTM. The bill would increase the number of people eligible for MTM, helping more seniors to access the life saving and money-saving services.

Congress recognized the value of MTM when it required Medicare Part D drug plans to offer the service as part of the Medicare Modernization Act of 2003. Furthermore, State Medicaid Programs, including ours in Minnesota, use MTM to maximize the value of their pharmacy benefits. As we reform our health care system and provide insurance coverage to more Americans, it makes sense to ensure that MTM becomes more widely adopted throughout our health care system.

And MTM isn't just good for patient health, it also saves money. A University of Minnesota study showed that when patients were able to consult with a pharmacist to determine their optimal medication regimen, total health expenditures decreased from \$11,965 to \$8,197 per patient. The reduction in total health expenditures exceeded the cost of providing MTM services by more than 12 to 1. That is huge.



The elderly typically take many more prescription medicines than the general population and therefore are at greater risk for problems associated with improper use of medications. Improving the Medicare MTM benefit will help our Nation's seniors get the most out of their medications while also helping to reduce costs through appropriate medication use and improved outcomes. I urge my colleagues to support the MTM Expanded Benefits Act and help support efforts to improve the prescription drug benefit for Medicare beneficiaries.

By Mr. MERKLEY (for himself, Mr. CRAPO, Mr. BAUCUS, Mr. TESTER, and Mr. WYDEN):

S. 3550: A bill to amend the Federal Water Pollution Control Act to establish within the Environmental Protection Agency a Columbia Basin Restoration Program; to the Committee on Environment and Public Works.

Mr. MERKLEY. Mr. President, I rise to speak to legislation I am introducing today, with my colleagues, Senator CRAPO of Idaho, Senators BAUCUS and TESTER of Montana, and Senator WYDEN, from my home state of Oregon, to protect and restore the Columbia River Basin.

The Columbia River Basin is the great river system that defines the Pacific Northwest. It runs 1,243 miles from Columbia Lake in British Columbia to its mouth at Astoria, OR, the first permanent European settlement west of the Rocky Mountains. Its basin drains 258,000 acres in seven states, including many of great geological provinces of the West: the Yellowstone Plateau; the Rocky Mountains; the volcanic Snake River Plain; Hells Canyon, America's deepest canyon; the basalt plains and high desert of eastern Oregon and Washington; the majestic Columbia River Gorge; the volcanic slopes of the Cascade Mountains; and the temperate rain forests of the Coast Range.

The Columbia River's tributaries are the major rivers of the Northwest. The Snake River, its longest tributary, runs more than 1,000 miles from near the continental divide in Wyoming's Yellowstone Park to its mouth with the Columbia in eastern Washington. The Clark Fork is Montana's largest river by volume, draining much of western Montana and turning into the Pend Oreille River in Idaho before it flows into the Columbia just across the border in Canada.

It is also the lifeblood of our economy and has been the foundation of a trade-based economy stretching back thousands of years, even before European settlement. Today it is the cornerstone of the region's shipping network, with ports dotting the river as far upstream as Lewiston, Idaho, the farthest inland seaport in the west. It was once the world's largest wild salmon run, with as many as 30 million salmon returning to spawn in our rivers, and is still a foundation for much

of our commercial and recreational fishing industries and an important source of fish for many of our Indian tribes.

The Columbia River Basin is the backbone of our energy system, with a network of dams that provide the majority of the region's electricity, more electricity than any other river in the country generates. Indeed, when we measure generating capacity, we talk about 100- and 200-Megawatt capacity wind farms and we talk about 600- and 800-Megawatt coal plants. Well, the Grand Coulee dam in central Washington state has a capacity of 6,800 Megawatts. It was the availability of low-cost power that brought the industrial era to the Northwest and brought a host of benefits to our rural residents, from rural electrification to irrigation for agriculture, as memorialized in the 1940s by Woody Guthrie. About four million acres of income-producing farm and ranch land across the Pacific Northwest are irrigated by the Columbia River, contributing \$10 billion to our economy every year.

Unfortunately, the Columbia River Basin is also a river basin that faces serious challenges. Our rivers are severely polluted. When EPA completed its Columbia River Basin Fish Contaminant Survey, the agency looked for 131 chemicals in fish tissues that could be taken up by humans because of contamination entering the food chain. The study detected 70 percent of the chemicals EPA was looking for. All 11 species of fish they tested had some level of contamination in their tissue.

The contamination in these fish poses a health problem for people throughout our region, but it is the Indian tribes, our neighbors who have made this basin their home for thousands of years—including the Warm Springs, the Nez Perce, the Umatilla, and the Yakama—who are among the most affected. A survey conducted by the Columbia River Intertribal Fish Commission found that tribal members consume between 6 and 10 times as much fish as the national average. High consumption rates exist among all tribal members consuming fish as well as among specific high-risk groups, including breastfeeding women.

In addition, the salmon and steelhead, upon which the tribes and the fishing communities of the Northwest have so long depended, are in serious decline.

The good news is that stakeholders across the region are working to clean up and restore the river. Since the Lower Columbia River estuary was added to the National Estuary Program, a robust partnership involving 28 cities, 9 counties, and the states of Oregon and Washington has come together to coordinate habitat restoration and toxic contamination reduction in that part of the basin. The EPA has coordinated stakeholders throughout the basin, including the states of Idaho and Montana and tribal governments, working to improve toxic pollution

monitoring and reduce and clean up contamination.

But more needs to be done.

While EPA has designated the Columbia River Basin as one of the nation's Great Water Bodies and has an active program in the basin, it is the only one of these Great Water Bodies that doesn't receive designated appropriations to support its restoration. Unlike the Chesapeake Bay and the Great Lakes, where Congress has authorized and funded restoration programs, the Columbia River Basin has no such program.

It is in that context that I introduce today, along with Senate colleagues from the Northwest, the Columbia River Basin Restoration Act of 2010. The bill establishes a clear stakeholder-driven process to oversee implementation of toxic contamination reduction plans. It directs EPA to provide technical support to a Working Group of stakeholders representing important constituencies and representing every geographic area in the Basin, and it allows those stakeholders to prioritize projects to implement toxic contamination reduction and to propose those projects to the EPA for funding.

We have also included an important component related to the Flathead River Basin in this bill. As my colleague the senior Senator from Montana can tell you, the Flathead is an amazing pristine gem of a water body on the far eastern edge of our basin. It forms the western and southern boundaries of the world's first international peace park, Glacier-Waterton, and it contains Flathead Lake, the largest freshwater lake in the West. Senator BAUCUS has made protecting the Flathead Basin a major focus and has discussed it many times in our work together on the Environment and Public Works Committee, and we have been working together for several months now to make sure we could protect the Flathead River Basin in this bill. I am glad we were able to include his provision to do so.

I would particularly like to thank my colleague Senator CRAPO from our neighboring State to the east. Senator CRAPO and I have been able to work together in a true collaborative partnership to propose what we believe will be an effective, stakeholder-driven program to help our constituents reduce toxic contamination in waterways that matter so much to them, and to do so in ways that our constituents design and prioritize. This bill reflects the interests and concerns of people from every State in the Northwest, and we will continue to hear and address their interests and concerns as the legislative process continues.

I am proud to stand with my colleagues from the Northwest today as we introduce this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.



There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3550

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

# SECTION 1. SHORT TITLE.

This Act may be cited as the “Columbia River Basin Restoration Act of 2010”.

# SEC. 2. FINDINGS.

Congress finds that—

(1) the Columbia River is the largest river in the Pacific Northwest by volume;

(2) the river is 1,253 miles long, with a drainage basin that includes 259,000 square miles, extending to 7 States and British Columbia, Canada, and including all or part of—

(A) multiple national parks;

(B) components of the National Wilderness Preservation System;

(C) National Monuments;

(D) National Scenic Areas;

(E) National Recreation Areas; and

(F) other areas managed for conservation.

(3) the Columbia River Basin and associated tributaries (referred to in this Act as the “Basin”) provide significant ecological and economic benefits to the Pacific Northwest and the entire United States;

(4) traditionally, the Basin includes more than 6,000,000 acres of irrigated agricultural land and produces more hydroelectric power than any other North American river;

(5) the Basin—

(A) historically constituted the largest salmon-producing river system in the world, with annual returns peaking at as many as 30,000,000 fish; and

(B) as of the date of enactment of this Act—

(i) supports economically important commercial and recreational fisheries; and

(ii) is home to 13 species of salmonids and steelhead that area listed as threatened species or endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(6) the Lower Columbia River Estuary stretches 146 miles from the Bonneville Dam to the mouth of the Pacific Ocean, and much of that area is contaminated with toxic chemicals;

(7) the Middle and Upper Columbia River Basin includes 1,050 miles of the mainstem Columbia River upstream of the Bonneville Dam, including the 1,040 miles of the largest tributary, the Snake River, and all of the tributaries to both rivers;

(8) toxic contamination in the Basin poses a significant threat to the environment and human health;

(9) the nuclear and toxic contamination at the Hanford Nuclear Reservation and the toxic contamination at Superfund sites throughout the Basin present an ongoing risk of contamination throughout the Basin;

(10) polychlorinated biphenyls (commonly known as “PCBs”) and polycyclic aromatic hydrocarbons that have been found in the tissues of salmonids and their prey at concentrations exceeding levels of concern;

(11) legacy contaminants, including PCBs and dichlorodiphenyltrichloroethane, the pesticide commonly known as “DDT”, were banned in 1972, but are still detected in river water, sediments, and juvenile Chinook salmon;

(12) pesticides and emerging contaminants, such as pharmaceutical and personal care products, have been detected in river water and may have effects including hormone disruption and impacts on behavior and reproduction;

(13) the Environmental Protection Agency’s Columbia River Basin Fish Contaminant

Survey detected the presence of 92 priority pollutants, including PCBs and DDE (a breakdown of DDT), in fish that are consumed by members of Indian tribes in the Columbia River Basin, as well as by other individuals consuming fish throughout the Columbia River Basin, and a fish consumption survey by the Columbia River Intertribal Fish Commission showed that tribal members were eating 6 to 11 times more fish than the estimated national average of the Environmental Protection Agency;

(14) toxic contamination in the Middle and Upper Columbia River Basins have a direct impact on water quality in the Lower Columbia River Estuary, and reducing toxic contamination in the Middle and Upper Columbia River Basin can have significant benefits for human health and for fish and wildlife throughout the entire Basin; and

(15) with regard to the Flathead River Basin, in the easternmost portion of the Columbia River Basin—

(A) the Flathead River Basin—

(i) has high water quality and aquatic biodiversity;

(ii) supports endangered species and species of special concern listed under United States and Canadian law;

(iii) contains Flathead Lake, the largest freshwater lake in the western United States;

(iv) is an important wildlife corridor that is home to the highest density of large and mid-sized carnivores and the highest diversity of vascular plant species in the United States; and

(v) supports traditional uses such as hunting, fishing, recreation, guiding and outfitting, and logging;

(B) the Flathead River originates in British Columbia and drains into the State of Montana;

(C) such transboundary waters are protected from pollution under the Treaty Relating to the Boundary Waters and Questions Arising Along the Boundary Between the United States and Canada, signed at Washington on January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the “Boundary Waters Treaty of 1909”);

(D) in 1988, the International Joint Commission determined that the impacts of mining proposals on the environmental values of the Flathead River Basin, including on water quality, sport fish populations, and habitat, could not be fully mitigated;

(E) the Flathead River forms the western and southern boundaries of the world’s first International Peace Park, Waterton-Glacier, which was inscribed as a World Heritage Site in 1995 under the auspices of the World Heritage Convention, adopted by the United Nations Educational, Scientific, and Cultural Organization General Conference on November 16, 1972;

(F) at the 33rd session of the World Heritage Committee in 2009, Decision 33 COM 7B.22 (Annex 3) 2009, the World Heritage Committee urged Canada in 2009 not to permit any mining or energy development in the Upper Flathead River Basin until the relevant environmental assessment processes have been completed and to provide timely opportunities for the United States to participate in environmental assessment processes; and

(G) on February 18, 2010, British Columbia and Montana entered into a memorandum of understanding—

(i) to remove mining and oil and gas development as permissible land uses in the Flathead River Basin;

(ii) to cooperate on fish and wildlife management;

(iii) to collaborate on environmental assessment of projects of cross border signifi-

cance with the potential to degrade land or water resources; and

(iv) to share information proactively.

# SEC. 3. COLUMBIA RIVER BASIN RESTORATION.

Title I of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) is amended by adding at the end the following:

# “SEC. 123. COLUMBIA RIVER BASIN RESTORATION.

“(a) DEFINITIONS.—

“(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of the Environmental Protection Agency.

“(2) COLUMBIA RIVER BASIN.—The term ‘Columbia River Basin’ means the entire United States portion of the Columbia River watershed.

“(3) COLUMBIA RIVER BASIN PROVINCES.—The term ‘Columbia River Basin Provinces’ means the United States portion of each of the Columbia River Basin Provinces identified in the Fish and Wildlife Plan of the Northwest Power and Conservation Council.

“(4) COLUMBIA RIVER BASIN TOXICS REDUCTION ACTION PLAN.—

“(A) IN GENERAL.—The term ‘Columbia River Basin Toxics Reduction Action Plan’ means the plan developed by the Environmental Protection Agency and the Columbia River Toxics Reduction Working Group in 2010.

“(B) INCLUSIONS.—The term ‘Columbia River Basin Toxics Reduction Action Plan’ includes any amendments to the plan.

“(5) ESTUARY PARTNERSHIP.—The term ‘Estuary Partnership’ means the Lower Columbia River Estuary Partnership, an entity created by the States of Oregon and Washington and the Environmental Protection Agency under section 320.

“(6) ESTUARY PLAN.—

“(A) IN GENERAL.—The term ‘Estuary Plan’ means the Estuary Partnership Comprehensive Conservation and Management Plan adopted by the Environmental Protection Agency and the Governors of Oregon and Washington on October 20, 1999, under section 320.

“(B) INCLUSIONS.—The term ‘Estuary Plan’ includes any amendments to the plan.

“(7) LOWER COLUMBIA RIVER ESTUARY.—The term ‘Lower Columbia River Basin and Estuary’ means the mainstem Columbia River from the Bonneville Dam to the Pacific Ocean and tidally influenced portions of tributaries to the Columbia River in that region.

“(8) MIDDLE AND UPPER COLUMBIA RIVER BASIN.—

“(A) IN GENERAL.—The term ‘Middle and Upper Columbia River Basin’ means the region consisting of the United States portion of the Columbia River Basin above Bonneville Dam.

“(B) INCLUSIONS.—The term ‘Middle and Upper Columbia River Basin’ includes—

“(i) the Snake River and associated tributaries; and

“(ii) the Clark Fork and Pend Oreille Rivers and associated tributaries.

“(9) NORTH FORK OF THE FLATHEAD RIVER.—The term ‘North Fork of the Flathead River’ means the region consisting of the North Fork of the Flathead River watershed, beginning in British Columbia, Canada, ending at the confluence of the North Fork and the Middle Fork of the Flathead River in the State of Montana.

“(10) PROGRAM.—The term ‘Program’ means the Columbia River Basin Restoration Program established under subsection (b)(1).

“(11) TRANSBOUNDARY FLATHEAD RIVER BASIN.—The term ‘transboundary Flathead River Basin’ means the region consisting of the Flathead River watershed, beginning in British Columbia, Canada, and ending at Flathead Lake, Montana.

“(12) WORKING GROUP.—The term ‘Working Group’ means—

“(A) the Columbia River Basin Toxics Reduction Working Group established under subsection (c); and

“(B) with respect to the Lower Columbia River Estuary, the Estuary Partnership.

“(b) COLUMBIA RIVER BASIN RESTORATION PROGRAM.—

“(1) ESTABLISHMENT.—The Administrator shall establish within the Environmental Protection Agency a Columbia Basin Restoration Program.

“(2) DELEGATION OF AUTHORITY; STAFFING.—The Administrator shall delegate such authority and provide such additional staff as are necessary to carry out the Program.

“(3) SCOPE OF PROGRAM.—

“(A) IN GENERAL.—The Program shall consist of a collaborative stakeholder-based approach to reducing toxic contamination throughout the Columbia River Basin.

“(B) RELATIONSHIP TO EXISTING ACTIVITIES.—The Program shall—

“(i) build on the work and collaborative structure of the existing Columbia River Toxics Reduction Working Group representing the Federal Government, State, tribal, and local governments, industry, and nongovernmental organizations, which was convened in 2005 to develop a collaborative toxic contamination reduction approach for the Columbia River Basin;

“(ii) in the Lower Columbia River Basin and Estuary, build on the work and collaborative structure of the Estuary Partnership; and

“(iii) coordinate with other efforts, including activities of other Federal agencies in the Columbia River Basin, to avoid duplicating activities or functions.

“(C) NO EFFECT ON EXISTING AUTHORITY.—The Program shall not modify any legal or regulatory authority or program in effect as of the date of enactment of this section, including the roles of Federal agencies in the Columbia River Basin.

“(4) DUTIES.—The Administrator shall—

“(A) provide the Working Group with data, analysis, reports, or other information;

“(B) provide technical assistance to the Working Group, and to States, local government entities, and Indian tribes participating in the Working Group, to assist those agencies and entities in—

“(i) planning or evaluating potential projects;

“(ii) implementing plans;

“(iii) implementing projects; and

“(iv) monitoring and evaluating the effectiveness of projects and the implementation of plans and projects;

“(C) provide information to the Working Group on plans already developed by the Administrator or by other Federal agencies to enable the Working Group to avoid unnecessary or duplicative projects or activities;

“(D) provide coordination with other Federal agencies to avoid duplication of activities or functions;

“(E)(i) complete and periodically update the Columbia River Basin Toxics Reduction Action Plan and the Estuary Plan; and

“(ii) ensure that those plans, when considered together and in light of relevant plans developed by other Federal or State agencies, form a coherent toxic contamination reduction strategy for the entire Columbia River Basin; and

“(F) implement, including by providing grants pursuant to subsection (e), projects and conduct activities, including monitoring, assessment, and toxic contamination reduction activities, that are—

“(i) identified by the Working Group;

“(ii) included in the Columbia River Basin Toxics Reduction Action Plan and the Estuary Plan; or

“(iii) identified under subsection (d) and located in the Transboundary Flathead River Basin.

“(c) STAKEHOLDER WORKING GROUP.—

“(1) ESTABLISHMENT.—The Administrator shall establish a Columbia River Basin Toxics Reduction Working Group.

“(2) MEMBERSHIP.—The members of the Working Group shall include, at a minimum, representatives of—

“(A) each State located in whole or in part within the Columbia River Basin;

“(B) each Indian tribe with legally defined rights and authorities in the Columbia River Basin that elects to participate on the Working Group;

“(C) local governments located in the Columbia River Basin;

“(D) industries operating in the Columbia River Basin that affect or could affect water quality;

“(E) electric, water, and wastewater utilities operating in the Columbia River Basin;

“(F) private landowners in the Columbia River Basin;

“(G) soil and water conservation districts in the Columbia River Basin;

“(H) environmental organizations that have a presence in the Columbia River Basin; and

“(I) the general public in the Columbia River Basin.

“(3) GEOGRAPHIC REPRESENTATION.—The Working Group shall include representation from each of the Columbia River Basin Provinces located in the Columbia River Basin.

“(4) APPOINTMENT.—

“(A) NONTRIBAL MEMBERS.—The Administrator, with the consent of the Governor of each State located in whole or in part within the Columbia River Basin, shall appoint non-tribal members of the Working Group not later than 180 days after the date of enactment of this section.

“(B) TRIBAL MEMBERS.—The governing body of each Indian tribe described in paragraph (2)(B) shall appoint tribal members of the Working Group not later than 180 days after the date of enactment of this section.

“(5) DUTIES.—The Working Group shall—

“(A) assess trends in water quality and toxic contamination or toxics reduction, including trends that affect uses of the water of the Columbia River Basin;

“(B) collect, characterize, and assess data on toxics and water quality to identify possible causes of environmental problems;

“(C) develop periodic updates to the Columbia River Basin Toxics Reduction Action Plan and, in the Estuary, the Estuary Plan;

“(D) submit to the Administrator annually a prioritized list of projects, including monitoring, assessment, and toxic contamination reduction projects, that would implement the Columbia River Basin Toxics Reduction Action Plan or, in the Lower Columbia River Estuary, the Estuary Plan, for consideration for funding pursuant to subsection (e); and

“(E) monitor the effectiveness of actions taken pursuant to this section.

“(6) LOWER COLUMBIA RIVER ESTUARY.—In the Lower Columbia River Estuary, the Estuary Partnership shall function as the Working Group and execute the duties of the Working Group described in this subsection for such time as the Estuary Partnership is the management conference for the Lower Columbia River National Estuary Program.

“(7) PARTICIPATION BY STATES.—At the discretion of the Governor of a State, the State—

“(A) may elect not to participate in the Working Group established under this paragraph; and

“(B) may provide comments to the Administrator on the prioritized list of projects submitted pursuant to paragraph (5)(D).

“(d) TRANSBOUNDARY FLATHEAD RIVER BASIN.—

“(1) SHORT TITLE.—This subsection may be cited as the ‘Transboundary Flathead River Basin Protection Act of 2010’.

“(2) ACTION BY PRESIDENT.—The President shall take steps to preserve and protect the unique, pristine area of the transboundary Flathead River, with a particular focus on the North Fork of the Flathead River.

“(3) TRANSBOUNDARY COOPERATION.—In taking such steps, the President may engage in negotiations with the Government of Canada to establish an executive agreement, or other appropriate tool, to ensure permanent protection for the North Fork of the Flathead River watershed and the adjacent area of Glacier-Waterton National Park.

“(4) PARTICIPATION IN COOPERATIVE EFFORTS.—

“(A) IN GENERAL.—The President may participate in cross-border collaborations with Canada on environmental assessments of any project of cross-border significance that has the potential to degrade land or water resources by providing for on-going involvement of appropriate Federal agencies of the United States in such assessments.

“(B) COLLABORATION.—In carrying out subparagraph (A), the President shall include in collaborations under that subparagraph appropriate Federal agencies, such as—

“(i) the Environmental Protection Agency;

“(ii) the Department of Interior;

“(iii) the United States Fish and Wildlife Service;

“(iv) the National Park Service;

“(v) the Forest Service; and

“(vi) such other agencies as the President determines to be appropriate.

“(5) ASSESSMENTS AND PROJECTS.—The President, acting through the Administrator, may provide grants under subsection (e) for the following purposes:

“(A) Developing baseline environmental conditions in the transboundary Flathead River Basin.

“(B) Assessing the impact of any proposed projects on the natural resources, water quality, wildlife, or environmental conditions in the transboundary Flathead River Basin.

“(C) Implementation of transboundary cooperative efforts identified by the governments of the United States and Canada under subsection (b)(2).

“(D) Projects to protect and preserve the natural resources, water quality, wildlife, and environmental conditions in the transboundary Flathead River Basin.

“(e) GRANTS.—

“(1) IN GENERAL.—The Administrator may provide grants to State and regional water pollution control agencies and entities, other State and local government entities, Indian tribes, nonprofit private agencies, institutions, organizations, and individuals for use in paying costs incurred in carrying out activities that would develop or implement plans or projects updated, developed, or authorized under this section (including for purposes described in subsection (d)(4)).

“(2) FEDERAL SHARE.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share of the cost of any project or activity carried out using funds from a grant provided to any person (including a State, interstate, or regional agency, an Indian tribe, or a local government entity) under this subsection for a fiscal year—

“(i) shall not exceed 75 percent of the total cost of the project or activity; and

“(ii) shall be made on condition that the non-Federal share of that total cost shall be provided from non-Federal sources.

“(B) EXCEPTIONS.—With respect to cost-sharing for a grant provided under this subsection—

“(i) an Indian tribe may use Federal funds for the non-Federal share; and

“(ii) the Administrator may increase the Federal share under such circumstances as the Administrator determines to be appropriate.

“(3) ALLOCATION.—In making grants using funds appropriated to carry out this section for fiscal years 2012 and 2013, the Administrator shall use—

“(A) not less than  $\frac{1}{3}$  of the funds to make grants for projects, programs, and studies in the Lower Columbia River Estuary; and

“(B) not less than  $\frac{1}{3}$  of the funds to make grants for projects, programs, and studies in the Middle and Upper Columbia River Basin.

“(4) REPORTING.—Not later than 18 months after the date of receipt of a grant under this subsection, and biennially thereafter for the duration of the grant, a person (including a State, interstate, or regional agency, an Indian tribe, or a local government entity) that receives a grant under this subsection shall submit to the Administrator a report that describes the progress being made in achieving the purposes of this section using funds from the grant.

“(f) ANNUAL BUDGET PLAN.—The President, as part of the annual budget submission of the President to Congress under section 1105(a) of title 31, United States Code, shall submit information regarding each Federal agency involved in protection and restoration of the Columbia River Basin, including an interagency crosscut budget that displays for each Federal agency—

“(1) the amounts obligated for the preceding fiscal year for protection and restoration projects, programs, and studies relating to the Columbia River Basin;

“(2) the estimated budget for the current fiscal year for protection and restoration projects, programs, and studies relating to the Columbia River Basin; and

“(3) the proposed budget for protection and restoration projects, programs, and studies relating to the Columbia River Basin.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section \$33,000,000 for each of fiscal years 2012 through 2017, to remain available until expended.”.

Mr. BAUCUS. Mr. President, I rise today with Senator MERKLEY, Senator TESTER, Senator CRAPO, and others to introduce the Columbia River Basin Restoration Act of 2010. The bill authorizes much needed funds to implement toxics reduction projects throughout the basin, and it authorizes next steps in our longstanding effort to protect and preserve the transboundary Flathead Basin. The Columbia River Basin is one of the great water basins along our border with Canada that binds our two nations together. The river spans about 1,200 miles and travels through 14 dams from Columbia Lake, British Columbia all the way to the Pacific Ocean. Several of the major subbasins of the Columbia are located in Montana, including the Kootenai, the Flathead, the Clark Fork, the Blackfoot, and the Bitterroot. Toxics contamination is a problem in several of these subbasins, and I am very pleased to be a cosponsor of the Columbia River Basin Restoration Act of 2010, which will authorize much needed resources to address toxics contamination.

The Columbia River Basin Restoration Act of 2010 also includes the Transboundary Flathead Basin Protection Act of 2010. This part of the bill addresses the unique needs of one of the areas that I love about Montana. Everyone who experiences the North Fork of the Flathead in northwestern Montana is awed by its pristine waters, larger-than-life landscapes, and breathtaking views. With its headwaters in British Columbia, the North Fork of the Flathead River forms the western boundary of Glacier National Park—it is one of the last untouched places on our continent.

For decades, the North Fork has been threatened by oil and gas and mining proposals in British Columbia. For the last 35 years, I have battled these proposals, one by one. After 35 years of work, we are beginning a new chapter of international cooperation in our efforts to protect the North Fork.

In February of this year, British Columbia and Montana announced their intent to prevent mining, oil and gas, and coalbed methane development in the North Fork on the lands they control. This memorandum of understanding was a great foundation for additional efforts to establish protections that are permanent. Since 90 percent of the North Fork watershed is Federally-owned, Federal action is needed on the southern side of the U.S.-Canadian border.

So, on March 4, Senator TESTER and I introduced the North Fork Watershed Protection Act, S. 3075, which bans future mining, oil and gas, and coalbed methane development on Federal lands in the watershed. The bill enjoys support from business and conservation interests alike from all over the State, including the Kalispell Chamber, Whitefish Mountain Resort, the Billings Rod and Gun Club, and a long list of others. This breadth of support shows the importance of the North Fork for Montana's economy as well as our State's outdoor heritage.

There are some current leases in the area that have been dormant since the late 1980s, when a court decision found that they were improperly issued. Senator TESTER and I have been engaged in active discussions with the current owners to retire these old leases. On April 28, I was proud to announce that ConocoPhillips, the primary leaseholder in the North Fork watershed, elected to voluntarily relinquish its interest in 108 Federal oil and gas leases covering approximately 169,000 acres, representing 71 percent of the leased area in the North Fork watershed. On June 2, we announced that Chevron decided to voluntarily relinquish its interest in 11,000 acres of leases in the Flathead watershed. To date, we have managed to retire the primary interest in 180,000 acres in the North Fork watershed, free of charge to the American taxpayer.

These actions are further evidence of the consensus that exists between the United States and Canada and among

businesses and conservationists, that the withdrawal of these Federal lands from leasing is the only path forward.

The transboundary Flathead section of the Columbia River Restoration Act of 2010 authorizes the next phase of our efforts to protect the Flathead. Just yesterday, the White House issued a statement that during the G20 meeting in Toronto, President Obama and Prime Minister Harper discussed the transboundary Flathead, recognizing the memorandum of understanding between British Columbia and Montana and exploring ways that the two governments can cooperate to ensure sustained protection of the North Fork. Senator TESTER and I asked the President to discuss this issue with the Prime Minister on June 9th, and we are very pleased that the two made this a priority in light of the agenda at the G20. This commitment from the highest levels of government sets the stage for four-party talks between the United States, Canada, British Columbia, and Montana to establish permanent protections.

The Columbia River Basin Restoration Act of 2010 takes three key steps to move things forward in the Flathead. Before I walk through those, it is important to recognize that this is an authorization bill. It authorizes specific actions by the Federal Government and authorizes appropriations in support of those actions. It is important to remember that Congress works in a two-step process—first the authorization, then, once signed into law, appropriations follow.

The bill authorizes the President to take steps to preserve and protect the transboundary Flathead River Basin. It is clear that the President has authority under the Boundary Waters Treaty of 1909, the Clean Water Act, and other statutes to take steps to prevent water pollution and protect wildlife in the transboundary Flathead. This section requires that the President act to meet these goals and provides explicit authority for the President to negotiate with Canada to ensure permanent protection for the North Fork and Glacier-Waterton National Park.

The bill authorizes the President, acting through appropriate agencies, to participate in cross-border collaborations and environmental assessments with Canada. Federal agency participation in such assessments is anticipated in the MOU between British Columbia and Montana, and our bill provides the authority for this to occur. Finally, the bill authorizes grants for baseline environmental studies, analysis of environmental impacts of any proposed projects, implementation of transboundary cooperative efforts, and other projects to protect and preserve the transboundary Flathead River Basin.

Funds for these and other purposes in the Columbia River Restoration Act of 2010 would be provided through the appropriations process, once this bill is signed into law.

Mr. President, I want to reflect for a moment on how far we have come in Montana in efforts to protect the North Fork. In 1975, during my very first term in the House of Representatives, I introduced a bill to designate the Flathead River as a Wild and Scenic River. It was designated a Wild and Scenic River in 1976.

For me, that began a lifelong effort to protect the North Fork. At that time I said:

A hundred years from now, and perhaps much sooner, those who follow us will survey what we have left behind.

The retirement of current oil and gas leases in the Flathead, the Energy Committee's very positive hearing on April 28 on S. 3075, the North Fork Watershed Protection Act 2010, President Obama's action yesterday with Prime Minister Harper, our introducing of this bipartisan legislation today and its eventual passage are all steps in a decades-long process to protect this gem of the continent.

I know that if we continue to cooperate with Canada, that if we can all keep our eye on the ball of long-term protection for the North Fork, that every Montanan, every American, and every Canadian who follows us will have the opportunity to share our feeling of awestruck wonder that such a place still exists, almost untouched by the modern world.

#### SUBMITTED RESOLUTIONS

#### SENATE RESOLUTION 573—URGING THE DEVELOPMENT OF A COMPREHENSIVE STRATEGY TO ENSURE STABILITY IN SOMALIA, AND FOR OTHER PURPOSES

Mr. FEINGOLD (for himself, Ms. KLOBUCHAR, and Mr. FRANKEN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 573

Whereas Somalia has been without a functioning central government since 1991, resulting in lawlessness and an increasingly desperate humanitarian situation;

Whereas, despite the return of the internationally recognized Transitional Federal Government (TFG) to Mogadishu and ongoing diplomatic efforts through the Djibouti Peace Process, supported by the United Nations, there has been little improvement in the governance or stability of southern and central Somalia, and armed opposition groups continue to exploit this situation;

Whereas the traditional mediation role played by Somali elders has been eroded as the dynamics of conflict and the proliferation of weapons make it difficult to influence warring parties;

Whereas, since 2007, armed violence has resulted in the deaths of at least 21,000 people in Somalia and the displacement of nearly 2,000,000 people, including over 500,000 refugees in Kenya, Yemen, Ethiopia, Eritrea, Djibouti, Tanzania, and Uganda;

Whereas the United Nations estimates that 3,200,000 people, or 43 percent of the population of Somalia, are in need of humanitarian assistance and livelihood support to survive;

Whereas the United Nations reports that almost 1,000,000 displaced Somalis in need of aid cannot be reached by United Nations refugee and food agencies because of growing insecurity and the threat of kidnappings to staff;

Whereas local humanitarian organizations are trying to meet the needs of the Somali people by restoring basic social services in urban and rural communities, which places them on the front lines of the conflict and make them vulnerable targets for killings, kidnappings, or being accused of working for foreign governments;

Whereas al Shabaab, which has been designated as a foreign terrorist organization by the Department of State, and other armed groups continue to wage war against the Transitional Federal Government in Mogadishu and one another to gain control over territory in Somalia;

Whereas al Shabaab has claimed responsibility for many bombings—including suicide attacks—in Mogadishu, as well as in central and northern Somalia, typically targeting officials of the Government of Somalia and perceived allies of the TFG;

Whereas, according to Human Rights Watch, al Shabaab is subjecting inhabitants of areas under its control in southern Somalia to executions, cruel punishments, including amputations and floggings, and repressive social control;

Whereas the human rights situation in Somalia has dramatically worsened over the past several years with increased numbers of killings, torture, kidnappings, and rape;

Whereas the 2009 Department of State Country Terrorism Report notes that "Somalia's fragile transitional Federal government, protracted state of violent instability, its long, unguarded coastline, porous borders, and proximity to the Arabian Peninsula, made the country an attractive location for international terrorists seeking a transit or launching point for operations in Somalia or elsewhere";

Whereas the situation in southern and central Somalia, particularly the activity of al Shabaab, poses direct threats to the stability of Puntland and Somaliland regions, as well as the stability of neighboring states and the wider region;

Whereas al Shabaab leaders have stated their intent to provide recruits and support for al Qaeda in the Arabian Peninsula in Yemen;

Whereas the Government of Eritrea has provided military and financial support for armed opposition groups, including al Shabaab, in part as a proxy front in its continuing tensions with Ethiopia;

Whereas, according to the most recent report by the United Nations Somalia Monitoring Group, arms, ammunitions, and military or dual-use equipment continue to enter Somalia at a fairly steady rate, primarily from Yemen and Ethiopia;

Whereas, in July 2009, the Department of State confirmed that, in addition to other support for the TFG, it had provided cash to purchase weapons and ammunitions for the TFG's efforts "to repel the onslaught of extremist forces which are intent on destroying the Djibouti peace process";

Whereas, according to most recent report by the United Nations Somalia Monitoring Group, "[d]espite infusions of foreign training and assistance, government security forces remain ineffective, disorganized and corrupt—a composite of independent militias loyal to senior government officials and military officers who profit from the business of war and resist their integration under a single command";

Whereas, on April 24, 2010, President Barack Obama issued an executive order to sanction or freeze the assets of militants

who threaten, both directly and indirectly, the stability of Somalia, as well as individuals involved in piracy off Somalia's coast;

Whereas, in March 2009, at a hearing of the Committee on Homeland Security and Government Affairs of the Senate, Andrew Liepman, Deputy Director of Intelligence at the National Counterterrorism Center, noted that "[s]ince 2006, a number of U.S. citizens [have] traveled to Somalia, possibly to train in extremist training camps";

Whereas, in September 2009, at a hearing of the Committee on Homeland Security and Government Affairs of the Senate, the Director of the National Counterterrorism Center Michael Leiter testified that "the potential for al-Qaeda operatives in Somalia to commission Americans to return to the United States and launch attacks against the Homeland remains of significant concern"; and

Whereas the extraordinary and ongoing crisis in Somalia has enormous humanitarian consequences and direct national security implications for the United States and our allies in the region: Now therefore be it

*Resolved*, That the Senate—

(1) acknowledges the urgency of addressing the threats to United States national security in Somalia and the conditions that foster those threats;

(2) reaffirms its commitment to stand with all the people of Somalia who aspire to a future free of terrorism and violence through advancing political reconciliation and building legitimate and inclusive governance institutions;

(3) recognizes the difficult, but very important, work being done by the African Union Mission in Somalia (AMISOM) to help secure parts of Mogadishu, and reaffirms its support for the mission;

(4) calls on the Transitional Federal Government in Somalia—

(A) to cease immediately any use of child soldiers;

(B) to ensure better accountability and transparency for all received security assistance;

(C) to renew its commitment to political reconciliation; and

(D) to take necessary steps toward becoming a more legitimate and inclusive government in the eyes of the people of Somalia;

(5) calls on all actors and governments in the region, particularly the Government of Eritrea, to play a productive role in helping to bring about peace and stability to Somalia, including ceasing to provide any financial or material support to armed opposition groups in Somalia;

(6) welcomes efforts by the President to bring greater focus and resources toward understanding and monitoring the situation in Somalia;

(7) urges the President to develop a comprehensive strategy to ensure that all United States humanitarian, diplomatic, political, and counterterrorism programs in Somalia and the wider Horn of Africa are coordinated and making progress toward the long-term goal of establishing stability, respect for human rights, and functional, inclusive governance in Somalia;

(8) urges the President and Secretary of State, as part of a comprehensive strategy—

(A) to provide greater support for a range of diplomatic initiatives to engage clan leaders, business leaders, and civil society leaders in Somalia and the Somali Diaspora in political reconciliation and consensus-building;

(B) to ensure better oversight, monitoring, and transparency of all United States security assistance provided to the TFG;

(C) to increase and strengthen the United States diplomatic team working on Somalia, including the appointment of a senior envoy,

and to ensure that these officials have the necessary resources, access, and mandate;

(D) to pursue opportunities for periodic, temporary United States Government travel to Somalia, consistent with any security concerns;

(E) to expand and deepen our engagement with the regions of Somaliland and Puntland and other regional administrations in order to promote good governance, effective law enforcement, respect for human rights, and stability in these regions;

(F) to explore, in consultation with the Secretary of the Treasury, increased options for pressuring individuals, governments, and other actors who undertake economic activities that support armed opposition groups and violence in Somalia; and

(G) to develop, in consultation with the Administrator of the United States Agency for International Development, creative and flexible mechanisms for delivering basic humanitarian assistance to the people of Somalia while minimizing the risk of significant diversion to armed opposition groups.

#### SENATE RESOLUTION 574—RELATIVE TO THE MEMORIAL OBSERVANCES OF THE HONORABLE ROBERT C. BYRD, LATE A SENATOR FROM THE STATE OF WEST VIRGINIA

Mr. REID (for himself and Mr. MCCONNELL) submitted the following resolution; which was considered and agreed to:

S. RES. 574

Whereas, The Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Robert C. Byrd, late a Senator from the State of West Virginia: Now, therefore, be it

*Resolved*, That the memorial observances of the Honorable Robert C. Byrd, late a Senator from the State of West Virginia be held in the Senate Chamber on Thursday, July 1, 2010, beginning at 10:00 a.m., and that the Senate attend the same.

*Resolved*, That paragraph 1 of Rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting the Senate Photographic Studio to photograph this memorial observance.

*Resolved*, That the Sergeant at Arms be directed to make necessary and appropriate arrangements in connection with the memorial observances in the Senate Chamber.

*Resolved*, That the Secretary of the Senate communicate these resolutions to the House of Representatives, transmit an enrolled copy thereof to the family of the deceased, and invite the House of Representatives and the family of the deceased to attend the memorial observances in the Senate Chamber.

*Resolved*, That invitations be extended to the President of the United States, the Vice President of the United States, and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, the Chief of Staff of the Air Force, and the Commandant of the Coast Guard to attend the memorial observances in the Senate Chamber.

#### SENATE CONCURRENT RESOLUTION 65—PROVIDING FOR THE USE OF THE CATAFALQUE SITUATED IN THE EXHIBITION HALL OF THE CAPITOL VISITOR CENTER IN CONNECTION WITH MEMORIAL SERVICES TO BE CONDUCTED IN THE UNITED STATES SENATE CHAMBER FOR THE HONORABLE ROBERT C. BYRD, LATE A SENATOR FROM THE STATE OF WEST VIRGINIA

Mr. REID (for himself and Mr. MCCONNELL) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 65

*Resolved by the Senate (the House of Representatives concurring)*, That the Architect of the Capitol is authorized and directed to transfer the catafalque which is situated in the Exhibition Hall of the Capitol Visitor Center to the Senate Chamber so that such catafalque may be used in connection with services to be conducted there for the Honorable Robert C. Byrd, late a Senator from the State of West Virginia.

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 4401. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

SA 4402. Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) proposed an amendment to the bill H.R. 5297, supra.

SA 4403. Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) proposed an amendment to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra.

SA 4404. Mr. REID proposed an amendment to amendment SA 4403 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra.

SA 4405. Mr. REID proposed an amendment to the bill H.R. 5297, supra.

SA 4406. Mr. REID proposed an amendment to amendment SA 4405 proposed by Mr. REID to the bill H.R. 5297, supra.

SA 4407. Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) proposed an amendment to the bill H.R. 5297, supra.

SA 4408. Mr. REID proposed an amendment to amendment SA 4407 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the bill H.R. 5297, supra.

SA 4409. Mr. REID proposed an amendment to amendment SA 4408 proposed by Mr. REID to the amendment SA 4407 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the bill H.R. 5297, supra.

SA 4410. Mr. KERRY (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4411. Mr. BINGAMAN (for himself and Mr. KERRY) submitted an amendment intended to be proposed by him to the bill H.R.

5297, supra; which was ordered to lie on the table.

SA 4412. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4413. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4414. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4415. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4416. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4417. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4418. Mr. WHITEHOUSE (for himself, Mr. BENNET, Mr. BROWN, of Massachusetts, Mr. BROWN, of Ohio, Mr. CORKER, Mr. DURBIN, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. KAUFMAN, Mr. LEAHY, Mr. LEMIEUX, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. NELSON, of Florida, Mr. PRYOR, Mr. SCHUMER, Mr. SESSIONS, Mr. SPECTER, and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4419. Mr. BURRIS submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4420. Mr. DODD (for himself, Mr. COCHRAN, and Ms. MIKULSKI) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4421. Mr. CASEY submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4422. Mr. TESTER submitted an amendment intended to be proposed by him to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4423. Mrs. SHAHEEN (for herself and Mr. COCHRAN) submitted an amendment intended to be proposed by her to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4424. Mr. WEBB (for himself and Mrs. BOXER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, supra; which was ordered to lie on the table.

SA 4425. Mr. REID proposed an amendment to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

SA 4426. Mr. REID proposed an amendment to amendment SA 4425 proposed by Mr. REID to the bill H.R. 4213, supra.

SA 4427. Mr. REID proposed an amendment to the bill H.R. 4213, supra.

SA 4428. Mr. REID proposed an amendment to amendment SA 4427 proposed by Mr. REID to the bill H.R. 4213, supra.

SA 4429. Mr. REID proposed an amendment to amendment SA 4428 proposed by Mr. REID

to the amendment SA 4427 proposed by Mr. REID to the bill H.R. 4213, *supra*.

SA 4430. Mrs. BOXER (for herself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table.

## TEXT OF AMENDMENTS

**SA 4401.** Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 115, between lines 6 and 7, insert the following:

### **SEC. 702. BUSINESS AND INDUSTRY DIRECT AND GUARANTEED LOANS.**

(a) **TANGIBLE EQUITY REQUIREMENTS.**—Section 310B(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(d)) is amended by striking paragraph (6) and inserting the following:

“(6) **EQUITY.**—In the case of direct or guaranteed loans under this section, the Secretary shall use commercial lending standards in determining any equity requirement.”.

(b) **GENERAL TERMS.**—Section 310B(g) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(g)) is amended by adding at the end the following:

“(10) **GENERAL TERMS.**—

“(A) **MAXIMUM LOAN GUARANTEE AMOUNT.**—

“(i) **IN GENERAL.**—Notwithstanding any other provision of this Act, during the period beginning on the date of enactment of this paragraph and ending on December 31, 2011, the Secretary shall guarantee up to 90 percent of a business and industry loan in an amount of up to \$10,000,000 that is a high priority project, as determined based on published criteria of the Secretary that includes rural economic factors.

“(ii) **SUBSEQUENT FISCAL YEARS.**—Notwithstanding any other provision of this Act, beginning on January 1, 2012, the Secretary may guarantee up to 80 or 90 percent (as determined by the Secretary) of a business and industry loan in an amount of up to \$10,000,000 that is a high priority project, as determined based on criteria described in clause (i).

“(B) **LINE-OF-CREDIT LOANS.**—In guaranteeing business and industry loans, the Secretary shall guarantee line-of-credit loans in accordance with section 316(c).

“(C) **REFINANCING.**—

“(i) **IN GENERAL.**—A business and industry loan may be used by a small business to refinance debt in existence as of the day before the date on which the loan was made or guaranteed, if—

“(I) the project for which the debt was incurred is viable and will create or save jobs, as determined by the Secretary; and

“(II) as of the date of application for refinancing—

“(aa) the underlying loan has been current for at least 1 year; and

“(bb) the lender is providing better rates and longer terms than under the original loan.

“(ii) **SUBORDINATED OWNER DEBT.**—Subordinated owner debt shall not be eligible for inclusion in debt described in clause (i).

“(D) **AUDIT STANDARDS.**—Notwithstanding any other provision of law, the Secretary—

“(i) shall not require audited financial statements consistent with generally accepted accounting principles for business and industry loans of less than \$3,000,000; and

“(ii) may waive any requirement for audited financial statements consistent with generally accepted accounting principles for business and industry loans of at least \$3,000,000.

“(E) **CALCULATION OF DELINQUENCY RATES.**—To allow accurate comparison of delinquency rates among Federal agencies, in calculating the delinquency rate for business and industry loans, the Secretary shall use the calculation method used by the Administrator of the Small Business Administration.”.

(c) **SENSE OF CONGRESS RELATING TO THE RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM.**—It is the sense of Congress that in allocating discretionary funds of the Secretary of Agriculture, the Secretary of Agriculture should give priority to the rural microentrepreneur assistance program established under section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s).

**SA 4402.** Mr. REID (for Mr. BAUCUS) proposed an amendment to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

### **SECTION 1. SHORT TITLE.**

This Act may be cited as the “Small Business Jobs Act of 2010”.

### **SEC. 2. TABLE OF CONTENTS.**

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

## **TITLE I—SMALL BUSINESSES**

Sec. 1001. Definitions.

Subtitle A—Small Business Access to Credit

Sec. 1101. Short title.

### **PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY**

Sec. 1111. Section 7(a) business loans.

Sec. 1112. Maximum loan amounts under 504 program.

Sec. 1113. Maximum loan limits under microloan program.

Sec. 1114. Temporary fee reductions.

Sec. 1115. New Markets Venture Capital company investment limitations.

Sec. 1116. Alternative size standards.

Sec. 1117. Sale of 7(a) loans in secondary market.

Sec. 1118. Online lending platform.

Sec. 1119. SBA Secondary Market Guarantee Authority.

## **PART II—SMALL BUSINESS ACCESS TO CAPITAL**

Sec. 1122. Low-interest refinancing under the local development business loan program.

## **PART III—OTHER MATTERS**

Sec. 1131. Small business intermediary lending pilot program.

Sec. 1132. Public policy goals.

Sec. 1133. Draft floor plan pilot program extension.

Sec. 1134. Guarantees for bonds and notes issued for community or economic development purposes.

Sec. 1135. Temporary express loan enhancement.

Sec. 1136. Prohibition on using TARP funds or tax in creases.

### **Subtitle B—Small Business Trade and Exporting**

Sec. 1201. Short title.

Sec. 1202. Definitions.

Sec. 1203. Office of International Trade.

Sec. 1204. Duties of the Office of International Trade.

Sec. 1205. Export assistance centers.

Sec. 1206. International trade finance programs.

Sec. 1207. State Trade and Export Promotion Grant Program.

Sec. 1208. Rural export promotion.

Sec. 1209. International trade cooperation by small business development centers.

### **Subtitle C—Small Business Contracting**

#### **PART I—CONTRACT BUNDLING**

Sec. 1311. Small Business Act.

Sec. 1312. Leadership and oversight.

Sec. 1313. Consolidation of contract requirements.

Sec. 1314. Small business teams pilot program.

#### **PART II—SUBCONTRACTING INTEGRITY**

Sec. 1321. Subcontracting misrepresentations.

Sec. 1322. Small business subcontracting improvements.

#### **PART III—ACQUISITION PROCESS**

Sec. 1331. Reservation of prime contract awards for small businesses.

Sec. 1332. Micro-purchase guidelines.

Sec. 1333. Agency accountability.

Sec. 1334. Payment of subcontractors.

Sec. 1335. Repeal of Small Business Competitiveness Demonstration Program.

## **PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY**

Sec. 1341. Policy and presumptions.

Sec. 1342. Annual certification.

Sec. 1343. Training for contracting and enforcement personnel.

Sec. 1344. Updated size standards.

Sec. 1345. Study and report on the mentor-protégé program.

Sec. 1346. Contracting goals reports.

Sec. 1347. Small business contracting parity.

Subtitle D—Small Business Management and Counseling Assistance

Sec. 1401. Matching requirements under small business programs.

Sec. 1402. Grants for SBDCs.

### **Subtitle E—Disaster Loan Improvement**

Sec. 1501. Aquaculture business disaster assistance.

### **Subtitle F—Small Business Regulatory Relief**

Sec. 1601. Requirements providing for more detailed analyses.

Sec. 1602. Office of advocacy.

### **Subtitle G—Appropriations Provisions**

Sec. 1701. Salaries and expenses.



Sec. 1702. Business loans program account.  
 Sec. 1703. Community Development Financial Institutions Fund program account.

#### TITLE II—TAX PROVISIONS

Sec. 2001. Short title.

##### Subtitle A—Small Business Relief

#### PART I—PROVIDING ACCESS TO CAPITAL

Sec. 2011. Temporary exclusion of 100 percent of gain on certain small business stock.  
 Sec. 2012. General business credits of eligible small businesses for 2010 carried back 5 years.  
 Sec. 2013. General business credits of eligible small businesses in 2010 not subject to alternative minimum tax.  
 Sec. 2014. Temporary reduction in recognition period for built-in gains tax.

#### PART II—ENCOURAGING INVESTMENT

Sec. 2021. Increased expensing limitations for 2010 and 2011; certain real property treated as section 179 property.  
 Sec. 2022. Additional first-year depreciation for 50 percent of the basis of certain qualified property.

#### PART III—PROMOTING ENTREPRENEURSHIP

Sec. 2031. Increase in amount allowed as deduction for start-up expenditures in 2010.  
 Sec. 2032. Authorization of appropriations for the United States Trade Representative to develop market access opportunities for United States small- and medium-sized businesses and to enforce trade agreements.

#### PART IV—PROMOTING SMALL BUSINESS FAIRNESS

Sec. 2041. Limitation on penalty for failure to disclose reportable transactions based on resulting tax benefits.  
 Sec. 2042. Deduction for health insurance costs in computing self-employment taxes in 2010.

##### Subtitle B—Revenue Provisions

#### PART I—REDUCING THE TAX GAP

Sec. 2101. Information reporting for rental property expense payments.  
 Sec. 2102. Increase in information return penalties.  
 Sec. 2103. Report on tax shelter penalties and certain other enforcement actions.  
 Sec. 2104. Application of levy to payments to Federal vendors relating to property.  
 Sec. 2105. Application of continuous levy to tax liabilities of certain Federal contractors.  
 Sec. 2106. Application of bad checks penalty to electronic payments.

#### PART II—PROMOTING RETIREMENT PREPARATION

Sec. 2111. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.  
 Sec. 2112. Rollovers from elective deferral plans to designated Roth accounts.

#### PART III—CLOSING UNINTENDED LOOPHOLES

Sec. 2121. Crude tall oil ineligible for cellulosic biofuel producer credit.

#### PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

Sec. 2131. Time for payment of corporate estimated taxes.

#### TITLE III—SMALL BUSINESS LENDING

##### Subtitle A—Small Business Lending Fund

Sec. 3101. Purpose.

Sec. 3102. Definitions.  
 Sec. 3103. Small business lending fund.  
 Sec. 3104. Additional authorities of the Secretary.  
 Sec. 3105. Considerations.  
 Sec. 3106. Reports.  
 Sec. 3107. Oversight and audits.  
 Sec. 3108. Credit reform; funding.  
 Sec. 3109. Termination and continuation of authorities.  
 Sec. 3110. Preservation of authority.  
 Sec. 3111. Assurances.  
 Sec. 3112. Study and report with respect to women-owned, veteran-owned, and minority-owned businesses.  
 Sec. 3113. Sense of congress.

##### Subtitle B—State Small Business Credit Initiative

Sec. 3201. Short title.  
 Sec. 3202. Definitions.  
 Sec. 3203. Federal funds allocated to States.  
 Sec. 3204. Approving States for participation.  
 Sec. 3205. Approving State capital access programs.  
 Sec. 3206. Approving collateral support and other innovative credit access and guarantee initiatives for small businesses and manufacturers.  
 Sec. 3207. Reports.  
 Sec. 3208. Remedies for State program termination or failures.  
 Sec. 3209. Implementation and administration.  
 Sec. 3210. Regulations.  
 Sec. 3211. Oversight and audits.

#### TITLE IV—BUDGETARY PROVISIONS

Sec. 4001. Determination of budgetary effects.

#### TITLE I—SMALL BUSINESSES

##### SEC. 1001. DEFINITIONS.

In this title—  
 (1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

##### Subtitle A—Small Business Access to Credit

##### SEC. 1101. SHORT TITLE.

This subtitle may be cited as the “Small Business Job Creation and Access to Capital Act of 2010”.

#### PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

##### SEC. 1111. SECTION 7(a) BUSINESS LOANS.

(a) AMENDMENT.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—  
 (A) in clause (i), by striking “75 percent” and inserting “90 percent”; and  
 (B) in clause (ii), by striking “85 percent” and inserting “90 percent”; and  
 (2) in paragraph (3)(A), by striking “\$1,500,000 (or if the gross loan amount would exceed \$2,000,000)” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000”).

(b) PROSPECTIVE REPEAL.—Effective January 1, 2011, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—  
 (A) in clause (i), by striking “90 percent” and inserting “75 percent”; and  
 (B) in clause (ii), by striking “90 percent” and inserting “85 percent”; and  
 (2) in paragraph (3)(A), by striking “\$4,500,000” and inserting “\$3,750,000”.

##### SEC. 1112. MAXIMUM LOAN AMOUNTS UNDER 504 PROGRAM.

Section 502(2)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)) is amended—

(1) in clause (i), by striking “\$1,500,000” and inserting “\$5,000,000”;

(2) in clause (ii), by striking “\$2,000,000” and inserting “\$5,000,000”;

(3) in clause (iii), by striking “\$4,000,000” and inserting “\$5,500,000”;

(4) in clause (iv), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(5) in clause (v), by striking “\$4,000,000” and inserting “\$5,500,000”.

##### SEC. 1113. MAXIMUM LOAN LIMITS UNDER MICROLOAN PROGRAM.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (1)(B)(iii), by striking “\$35,000” and inserting “\$50,000”;

(2) in paragraph (3)—

(A) in subparagraph (C), by striking “\$3,500,000” and inserting “\$5,000,000”; and

(B) in subparagraph (E), by striking “\$35,000” each place that term appears and inserting “\$50,000”; and

(3) in paragraph (11)(B), by striking “\$35,000” and inserting “\$50,000”.

##### SEC. 1114. TEMPORARY FEE REDUCTIONS.

Section 501 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “September 30, 2010” each place that term appears and inserting “December 31, 2010”.

##### SEC. 1115. NEW MARKETS VENTURE CAPITAL COMPANY INVESTMENT LIMITATIONS.

Section 355 of the Small Business Investment Act of 1958 (15 U.S.C. 689d) is amended by adding at the end the following:

“(e) INVESTMENT LIMITATIONS.—

“(1) DEFINITION.—In this subsection, the term ‘covered New Markets Venture Capital company’ means a New Markets Venture Capital company—

“(A) granted final approval by the Administrator under section 354(e) on or after March 1, 2002; and

“(B) that has obtained a financing from the Administrator.

“(2) LIMITATION.—Except to the extent approved by the Administrator, a covered New Markets Venture Capital company may not acquire or issue commitments for securities under this title for any single enterprise in an aggregate amount equal to more than 10 percent of the sum of—

“(A) the regulatory capital of the covered New Markets Venture Capital company; and

“(B) the total amount of leverage projected in the participation agreement of the covered New Markets Venture Capital.”.

##### SEC. 1116. ALTERNATIVE SIZE STANDARDS.

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following:

“(5) ALTERNATIVE SIZE STANDARD.—

“(A) IN GENERAL.—The Administrator shall establish an alternative size standard for applicants for business loans under section 7(a) and applicants for development company loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), that uses maximum tangible net worth and average net income as an alternative to the use of industry standards.

“(B) INTERIM RULE.—Until the date on which the alternative size standard established under subparagraph (A) is in effect, an applicant for a business loan under section 7(a) or an applicant for a development company loan under title V of the Small Business Investment Act of 1958 may be eligible for such a loan if—

“(i) the maximum tangible net worth of the applicant is not more than \$15,000,000; and

“(ii) the average net income after Federal income taxes (excluding any carry-over losses) of the applicant for the 2 full fiscal years before the date of the application is not more than \$5,000,000.”.

**SEC. 1117. SALE OF 7(a) LOANS IN SECONDARY MARKET.**

Section 5(g) of the Small Business Act (15 U.S.C. 634(g)) is amended by adding at the end the following:

“(6) If the amount of the guaranteed portion of any loan under section 7(a) is more than \$500,000, the Administrator shall, upon request of a pool assembler, divide the loan guarantee into increments of \$500,000 and 1 increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any loan in a pool to be not more than \$500,000. Only 1 increment of any loan guarantee divided under this paragraph may be included in the same pool. Increments of loan guarantees to different borrowers that are divided under this paragraph may be included in the same pool.”.

**SEC. 1118. ONLINE LENDING PLATFORM.**

It is the sense of Congress that the Administrator of the Small Business Administration should establish a website that—

(1) lists each lender that makes loans guaranteed by the Small Business Administration and provides information about the loan rates of each such lender; and

(2) allows prospective borrowers to compare rates on loans guaranteed by the Small Business Administration.

**SEC. 1119. SBA SECONDARY MARKET GUARANTEE AUTHORITY.**

Section 503(f) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 155) is amended by striking “on the date 2 years after the date of enactment of this section” and inserting “2 years after the date of the first sale of a pool of first lien position 504 loans guaranteed under this section to a third-party investor”.

**PART II—SMALL BUSINESS ACCESS TO CAPITAL****SEC. 1122. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.**

(a) REFINANCING.—Section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by adding at the end the following:

“(C) REFINANCING NOT INVOLVING EXPANSIONS.—

“(i) DEFINITIONS.—In this subparagraph—

“(I) the term ‘borrower’ means a small business concern that submits an application to a development company for financing under this subparagraph;

“(II) the term ‘eligible fixed asset’ means tangible property relating to which the Administrator may provide financing under this section; and

“(III) the term ‘qualified debt’ means indebtedness—

“(aa) that—

“(AA) was incurred not less than 2 years before the date of the application for assistance under this subparagraph;

“(BB) is a commercial loan;

“(CC) is not subject to a guarantee by a Federal agency;

“(DD) the proceeds of which were used to acquire an eligible fixed asset;

“(EE) was incurred for the benefit of the small business concern; and

“(FF) is collateralized by eligible fixed assets; and

“(bb) for which the borrower has been current on all payments for not less than 1 year before the date of the application.

“(ii) AUTHORITY.—A project that does not involve the expansion of a small business concern may include the refinancing of qualified debt if—

“(I) the amount of the financing is not more than 90 percent of the value of the collateral for the financing, except that, if the appraised value of the eligible fixed assets

serving as collateral for the financing is less than the amount equal to 125 percent of the amount of the financing, the borrower may provide additional cash or other collateral to eliminate any deficiency;

“(II) the borrower has been in operation for all of the 2-year period ending on the date of the loan; and

“(III) for a financing for which the Administrator determines there will be an additional cost attributable to the refinancing of the qualified debt, the borrower agrees to pay a fee in an amount equal to the anticipated additional cost.

“(iii) FINANCING FOR BUSINESS EXPENSES.—

“(I) FINANCING FOR BUSINESS EXPENSES.—The Administrator may provide financing to a borrower that receives financing that includes a refinancing of qualified debt under clause (ii), in addition to the refinancing under clause (ii), to be used solely for the payment of business expenses.

“(II) APPLICATION FOR FINANCING.—An application for financing under subclause (I) shall include—

“(aa) a specific description of the expenses for which the additional financing is requested; and

“(bb) an itemization of the amount of each expense.

“(III) CONDITION ON ADDITIONAL FINANCING.—A borrower may not use any part of the financing under this clause for non-business purposes.

“(iv) LOANS BASED ON JOBS.—

“(I) JOB CREATION AND RETENTION GOALS.—

“(aa) IN GENERAL.—The Administrator may provide financing under this subparagraph for a borrower that meets the job creation goals under subsection (d) or (e) of section 501.

“(bb) ALTERNATE JOB RETENTION GOAL.—The Administrator may provide financing under this subparagraph to a borrower that does not meet the goals described in item (aa) in an amount that is not more than the product obtained by multiplying the number of employees of the borrower by \$65,000.

“(II) NUMBER OF EMPLOYEES.—For purposes of subclause (I), the number of employees of a borrower is equal to the sum of—

“(aa) the number of full-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; and

“(bb) the product obtained by multiplying—

“(AA) the number of part-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; by

“(BB) the quotient obtained by dividing the average number of hours each part time employee of the borrower works each week by 40.

“(v) NONDELEGATION.—Notwithstanding section 508(e), the Administrator may not permit a premier certified lender to approve or disapprove an application for assistance under this subparagraph.

“(vi) TOTAL AMOUNT OF LOANS.—The Administrator may provide not more than a total of \$7,500,000,000 of financing under this subparagraph for each fiscal year.”.

(b) PROSPECTIVE REPEAL.—Effective 2 years after the date of enactment of this Act, section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by striking subparagraph (C).

(c) TECHNICAL CORRECTION.—Section 502(2)(A)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)(i)) is amended by striking “subparagraph (B) or (C)” and inserting “clause (ii), (iii), (iv), or (v)”.

**PART III—OTHER MATTERS****SEC. 1131. SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.**

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by striking subsection (1) and inserting the following:

“(1) SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.—

“(i) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible intermediary’—

“(i) means a private, nonprofit entity that—

“(I) seeks or has been awarded a loan from the Administrator to make loans to small business concerns under this subsection; and

“(II) has not less than 1 year of experience making loans to startup, newly established, or growing small business concerns; and

“(ii) includes—

“(I) a private, nonprofit community development corporation;

“(II) a consortium of private, nonprofit organizations or nonprofit community development corporations; and

“(III) an agency of or nonprofit entity established by a Native American Tribal Government; and

“(B) the term ‘Program’ means the small business intermediary lending pilot program established under paragraph (2).

“(2) ESTABLISHMENT.—There is established a 3-year small business intermediary lending pilot program, under which the Administrator may make direct loans to eligible intermediaries, for the purpose of making loans to startup, newly established, and growing small business concerns.

“(3) PURPOSES.—The purposes of the Program are—

“(A) to assist small business concerns in areas suffering from a lack of credit due to poor economic conditions or changes in the financial market; and

“(B) to establish a loan program under which the Administrator may provide loans to eligible intermediaries to enable the eligible intermediaries to provide loans to startup, newly established, and growing small business concerns for working capital, real estate, or the acquisition of materials, supplies, or equipment.

“(4) LOANS TO ELIGIBLE INTERMEDIARIES.—

“(A) APPLICATION.—Each eligible intermediary desiring a loan under this subsection shall submit an application to the Administrator that describes—

“(i) the type of small business concerns to be assisted;

“(ii) the size and range of loans to be made;

“(iii) the interest rate and terms of loans to be made;

“(iv) the geographic area to be served and the economic, poverty, and unemployment characteristics of the area;

“(v) the status of small business concerns in the area to be served and an analysis of the availability of credit; and

“(vi) the qualifications of the applicant to carry out this subsection.

“(B) LOAN LIMITS.—No loan may be made to an eligible intermediary under this subsection if the total amount outstanding and committed to the eligible intermediary by the Administrator would, as a result of such loan, exceed \$1,000,000 during the participation of the eligible intermediary in the Program.

“(C) LOAN DURATION.—Loans made by the Administrator under this subsection shall be for a term of 20 years.

“(D) APPLICABLE INTEREST RATES.—Loans made by the Administrator to an eligible intermediary under the Program shall bear an annual interest rate equal to 1.00 percent.

“(E) FEES; COLLATERAL.—The Administrator may not charge any fees or require

collateral with respect to any loan made to an eligible intermediary under this subsection.

“(F) DELAYED PAYMENTS.—The Administrator shall not require the repayment of principal or interest on a loan made to an eligible intermediary under the Program during the 2-year period beginning on the date of the initial disbursement of funds under that loan.

“(G) MAXIMUM PARTICIPANTS AND AMOUNTS.—During each of fiscal years 2011, 2012, and 2013, the Administrator may make loans under the Program—

“(i) to not more than 20 eligible intermediaries; and

“(ii) in a total amount of not more than \$20,000,000.

“(5) LOANS TO SMALL BUSINESS CONCERNS.—

“(A) IN GENERAL.—The Administrator, through an eligible intermediary, shall make loans to startup, newly established, and growing small business concerns for working capital, real estate, and the acquisition of materials, supplies, furniture, fixtures, and equipment.

“(B) MAXIMUM LOAN.—An eligible intermediary may not make a loan under this subsection of more than \$200,000 to any 1 small business concern.

“(C) APPLICABLE INTEREST RATES.—A loan made by an eligible intermediary to a small business concern under this subsection, may have a fixed or a variable interest rate, and shall bear an interest rate specified by the eligible intermediary in the application of the eligible intermediary for a loan under this subsection.

“(D) REVIEW RESTRICTIONS.—The Administrator may not review individual loans made by an eligible intermediary to a small business concern before approval of the loan by the eligible intermediary.

“(6) TERMINATION.—The authority of the Administrator to make loans under the Program shall terminate 3 years after the date of enactment of the Small Business Job Creation and Access to Capital Act of 2010.”

(b) RULEMAKING AUTHORITY.—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue regulations to carry out section 7(1) of the Small Business Act, as amended by subsection (a).

(c) AVAILABILITY OF FUNDS.—Any amounts provided to the Administrator for the purposes of carrying out section 7(1) of the Small Business Act, as amended by subsection (a), shall remain available until expended.

#### SEC. 1132. PUBLIC POLICY GOALS.

Section 501(d)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)) is amended—

(1) in subparagraph (J), by striking “or” at the end;

(2) in subparagraph (K), by striking the period at the end and inserting “, or”; and

(3) by adding at the end the following:

“(L) reduction of rates of unemployment in labor surplus areas, as such areas are determined by the Secretary of Labor.”

#### SEC. 1133. DRAFT FLOOR PLAN PILOT PROGRAM EXTENSION.

(a) IN GENERAL.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by redesignating paragraph (32), relating to increased veteran participation, as added by section 208 of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186; 122 Stat. 631), as paragraph (33); and

(2) by adding at the end the following:

“(34) DEALER FLOOR PLAN FINANCING PROGRAM.—

“(A) DEFINITION.—In this paragraph, the term ‘eligible retail good’—

“(i) means a good for which a title may be obtained under State law; and

“(ii) includes an automobile, recreational vehicle, boat, and manufactured home.

“(B) PROGRAM.—The Administrator may guarantee the timely payment of an open-end extension of credit to a small business concern, the proceeds of which may be used for the purchase of eligible retail goods for resale.

“(C) AMOUNT.—An open-end extension of credit guaranteed under this paragraph shall be in an amount not less than \$500,000 and not more than \$5,000,000.

“(D) TERM.—An open-end extension of credit guaranteed under this paragraph shall have a term of not more than 5 years.

“(E) GUARANTEE PERCENTAGE.—The Administrator may guarantee—

“(i) not less than 60 percent of an open-end extension of credit under this paragraph; and

“(ii) not more than 75 percent of an open-end extension of credit under this paragraph.

“(F) ADVANCE RATE.—The lender for an open-end extension of credit guaranteed under this paragraph may allow the borrower to draw funds on the line of credit in an amount equal to not more than 100 percent of the value of the eligible retail goods to be purchased.”

(b) SUNSET.—Effective September 30, 2013, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking paragraph (34); and

(2) by redesignating paragraph (35), as added by section 1206 of this Act, as paragraph (34).

#### SEC. 1134. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

The Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et seq.) is amended by inserting after section 114 (12 U.S.C. 4713) the following:

#### “SEC. 114A. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

“(a) DEFINITIONS.—In this section, the following definitions shall apply:

“(1) ELIGIBLE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term ‘eligible community development financial institution’ means a community development financial institution (as described in section 1805.201 of title 12, Code of Federal Regulations, or any successor thereto) certified by the Secretary that has applied to a qualified issuer for, or been granted by a qualified issuer, a loan under the Program.

“(2) ELIGIBLE COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSE.—The term ‘eligible community or economic development purpose’—

“(A) means any purpose described in section 108(b); and

“(B) includes the provision of community or economic development in low-income or underserved rural areas.

“(3) GUARANTEE.—The term ‘guarantee’ means a written agreement between the Secretary and a qualified issuer (or trustee), pursuant to which the Secretary ensures repayment of the verifiable losses of principal, interest, and call premium, if any, on notes or bonds issued by a qualified issuer to finance or refinance loans to eligible community development financial institutions.

“(4) LOAN.—The term ‘loan’ means any credit instrument that is extended under the Program for any eligible community or economic development purpose.

“(5) MASTER SERVICER.—

“(A) IN GENERAL.—The term ‘master servicer’ means any entity approved by the Secretary in accordance with subparagraph (B) to oversee the activities of servicers, as provided in subsection (f)(4).

“(B) APPROVAL CRITERIA FOR MASTER SERVICERS.—The Secretary shall approve or

deny any application to become a master servicer under the Program not later than 90 days after the date on which all required information is submitted to the Secretary, based on the capacity and experience of the applicant in—

“(i) loan administration, servicing, and loan monitoring;

“(ii) managing regional or national loan intake, processing, or servicing operational systems and infrastructure;

“(iii) managing regional or national originator communication systems and infrastructure;

“(iv) developing and implementing training and other risk management strategies on a regional or national basis; and

“(v) compliance monitoring, investor relations, and reporting.

“(6) PROGRAM.—The term ‘Program’ means the guarantee Program for bonds and notes issued for eligible community or economic development purposes established under this section.

“(7) PROGRAM ADMINISTRATOR.—The term ‘Program administrator’ means an entity designated by the issuer to perform administrative duties, as provided in subsection (f)(2).

“(8) QUALIFIED ISSUER.—

“(A) IN GENERAL.—The term ‘qualified issuer’ means a community development financial institution (or any entity designated to issue notes or bonds on behalf of such community development financial institution) that meets the qualification requirements of this paragraph.

“(B) APPROVAL CRITERIA FOR QUALIFIED ISSUERS.—

“(i) IN GENERAL.—The Secretary shall approve a qualified issuer for a guarantee under the Program in accordance with the requirements of this paragraph, and such additional requirements as the Secretary may establish, by regulation.

“(ii) TERMS AND QUALIFICATIONS.—A qualified issuer shall—

“(I) have appropriate expertise, capacity, and experience, or otherwise be qualified to make loans for eligible community or economic development purposes;

“(II) provide to the Secretary—

“(aa) an acceptable statement of the proposed sources and uses of the funds; and

“(bb) a capital distribution plan that meets the requirements of subsection (c)(1); and

“(III) certify to the Secretary that the bonds or notes to be guaranteed are to be used for eligible community or economic development purposes.

“(C) DEPARTMENT OPINION; TIMING.—

“(i) DEPARTMENT OPINION.—Not later than 30 days after the date of a request by a qualified issuer for approval of a guarantee under the Program, the Secretary shall provide an opinion regarding compliance by the issuer with the requirements of the Program under this section.

“(ii) TIMING.—The Secretary shall approve or deny a guarantee under this section after consideration of the opinion provided to the Secretary under clause (i), and in no case later than 90 days after receipt of all required information by the Secretary with respect to a request for such guarantee.

“(9) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(10) SERVICER.—The term ‘servicer’ means an entity designated by the issuer to perform various servicing duties, as provided in subsection (f)(3).

“(b) GUARANTEES AUTHORIZED.—The Secretary shall guarantee payments on bonds or notes issued by any qualified issuer, if the proceeds of the bonds or notes are used in accordance with this section to make loans to

eligible community development financial institutions—

“(1) for eligible community or economic development purposes; or

“(2) to refinance loans or notes issued for such purposes.

“(C) GENERAL PROGRAM REQUIREMENTS.—

“(1) IN GENERAL.—A capital distribution plan meets the requirements of this subsection, if not less than 90 percent of the principal amount of guaranteed bonds or notes (other than costs of issuance fees) are used to make loans for any eligible community or economic development purpose, measured annually, beginning at the end of the 1-year period beginning on the issuance date of such guaranteed bonds or notes.

“(2) RELENDING ACCOUNT.—Not more than 10 percent of the principal amount of guaranteed bonds or notes, multiplied by an amount equal to the outstanding principal balance of issued notes or bonds, minus the risk-share pool amount under subsection (d), may be held in a relending account and may be made available for new eligible community or economic development purposes.

“(3) LIMITATIONS ON UNPAID PRINCIPAL BALANCES.—The proceeds of guaranteed bonds or notes under the Program may not be used to pay fees (other than costs of issuance fees), and shall be held in—

“(A) community or economic development loans;

“(B) a relending account, to the extent authorized under paragraph (2); or

“(C) a risk-share pool established under subsection (d).

“(4) REPAYMENT.—If a qualified issuer fails to meet the requirements of paragraph (1) by the end of the 90-day period beginning at the end of the annual measurement period, repayment shall be made on that portion of bonds or notes necessary to bring the bonds or notes that remain outstanding after such repayment into compliance with the 90 percent requirement of paragraph (1).

“(5) PROHIBITED USES.—The Secretary shall, by regulation—

“(A) prohibit, as appropriate, certain uses of amounts from the guarantee of a bond or note under the Program, including the use of such funds for political activities, lobbying, outreach, counseling services, or travel expenses; and

“(B) provide that the guarantee of a bond or note under the Program may not be used for salaries or other administrative costs of—

“(i) the qualified issuer; or

“(ii) any recipient of amounts from the guarantee of a bond or note.

“(d) RISK-SHARE POOL.—Each qualified issuer shall, during the term of a guarantee provided under the Program, establish a risk-share pool, capitalized by contributions from eligible community development financial institution participants an amount equal to 3 percent of the guaranteed amount outstanding on the subject notes and bonds.

“(e) GUARANTEES.—

“(1) IN GENERAL.—A guarantee issued under the Program shall—

“(A) be for the full amount of a bond or note, including the amount of principal, interest, and call premiums;

“(B) be fully assignable and transferable to the capital market, on terms and conditions that are consistent with comparable Government-guaranteed bonds, and satisfactory to the Secretary;

“(C) represent the full faith and credit of the United States; and

“(D) not exceed 30 years.

“(2) LIMITATIONS.—

“(A) ANNUAL NUMBER OF GUARANTEES.—The Secretary shall issue not more than 10 guarantees in any calendar year under the Program.

“(B) GUARANTEE AMOUNT.—The Secretary may not guarantee any amount under the Program equal to less than \$100,000,000, but the total of all such guarantees in any fiscal year may not exceed \$1,000,000,000.

“(f) SERVICING OF TRANSACTIONS.—

“(1) IN GENERAL.—To maximize efficiencies and minimize cost and interest rates, loans made under this section may be serviced by qualified Program administrators, bond servicers, and a master servicer.

“(2) DUTIES OF PROGRAM ADMINISTRATOR.—The duties of a Program administrator shall include—

“(A) approving and qualifying eligible community development financial institution applications for participation in the Program;

“(B) compliance monitoring;

“(C) bond packaging in connection with the Program; and

“(D) all other duties and related services that are customarily expected of a Program administrator.

“(3) DUTIES OF SERVICER.—The duties of a servicer shall include—

“(A) billing and collecting loan payments;

“(B) initiating collection activities on past-due loans;

“(C) transferring loan payments to the master servicing accounts;

“(D) loan administration and servicing;

“(E) systematic and timely reporting of loan performance through remittance and servicing reports;

“(F) proper measurement of annual outstanding loan requirements; and

“(G) all other duties and related services that are customarily expected of servicers.

“(4) DUTIES OF MASTER SERVICER.—The duties of a master servicer shall include—

“(A) tracking the movement of funds between the accounts of the master servicer and any other servicer;

“(B) ensuring orderly receipt of the monthly remittance and servicing reports of the servicer;

“(C) monitoring the collection comments and foreclosure actions;

“(D) aggregating the reporting and distribution of funds to trustees and investors;

“(E) removing and replacing a servicer, as necessary;

“(F) loan administration and servicing;

“(G) systematic and timely reporting of loan performance compiled from all bond servicers' reports;

“(H) proper distribution of funds to investors; and

“(I) all other duties and related services that are customarily expected of a master servicer.

“(g) FEES.—

“(1) IN GENERAL.—A qualified issuer that receives a guarantee issued under this section on a bond or note shall pay a fee to the Secretary, in an amount equal to 10 basis points of the amount of the unpaid principal of the bond or note guaranteed.

“(2) PAYMENT.—A qualified issuer shall pay the fee required under this subsection on an annual basis.

“(3) USE OF FEES.—Fees collected by the Secretary under this subsection shall be used to reimburse the Department of the Treasury for any administrative costs incurred by the Department in implementing the Program established under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to the Secretary, such sums as are necessary to carry out this section.

“(2) USE OF FEES.—To the extent that the amount of funds appropriated for a fiscal year under paragraph (1) are not sufficient to carry out this section, the Secretary may use the fees collected under subsection (g)

for the cost of providing guarantees of bonds and notes under this section.

“(i) INVESTMENT IN GUARANTEED BONDS INELIGIBLE FOR COMMUNITY REINVESTMENT ACT PURPOSES.—Notwithstanding any other provision of law, any investment by a financial institution in bonds or notes guaranteed under the Program shall not be taken into account in assessing the record of such institution for purposes of the Community Reinvestment Act of 1977 (12 U.S.C. 2901).

“(j) ADMINISTRATION.—

“(1) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations to carry out this section.

“(2) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this section, the Secretary shall implement this section.

“(k) TERMINATION.—This section is repealed, and the authority provided under this section shall terminate, on September 30, 2014.”

#### SEC. 1135. TEMPORARY EXPRESS LOAN ENHANCEMENT.

(a) IN GENERAL.—Section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$350,000” and inserting “\$1,000,000”.

(b) PROSPECTIVE REPEAL.—Effective 1 year after the date of enactment of this Act, section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$1,000,000” and inserting “\$350,000”.

#### SEC. 1136. PROHIBITION ON USING TARP FUNDS OR TAX INCREASES.

(a) IN GENERAL.—Except as provided in subsection (b), nothing in section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections, shall be construed to limit the ability of Congress to appropriate funds.

(b) TARP FUNDS AND TAX INCREASES.—

(1) IN GENERAL.—Any covered amounts may not be used to carry out section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections.

(2) DEFINITION.—In this subsection, the term “covered amounts” means—

(A) the amounts made available to the Secretary of the Treasury under title I of the Emergency Economic Stabilization Act of 2008 (S.C. 5201 et seq.) to purchase (under section 101) or guarantee (under section 102) assets under that Act; and

(B) any revenue increase attributable to any amendment to the Internal Revenue Code of 1986 made during the period beginning on the date of enactment of this Act and ending on December 31, 2010.

#### Subtitle B—Small Business Trade and Exporting

##### SEC. 1201. SHORT TITLE.

This subtitle may be cited as the “Small Business Export Enhancement and International Trade Act of 2010”.

##### SEC. 1202. DEFINITIONS.

(a) DEFINITIONS.—In this subtitle—

(1) the term “Associate Administrator” means the Associate Administrator for International Trade appointed under section 22(a)(2) of the Small Business Act, as amended by this subtitle;

(2) the term “Export Assistance Center” means a one-stop shop referred to in section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8)); and

(3) the term “rural small business concern” means a small business concern located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

“(t) SMALL BUSINESS DEVELOPMENT CENTER.—In this Act, the term ‘small business development center’ means a small business development center described in section 21.

“(u) REGION OF THE ADMINISTRATION.—In this Act, the term ‘region of the Administration’ means the geographic area served by a regional office of the Administration established under section 4(a).”

(2) CONFORMING AMENDMENT.—Section 4(b)(3)(B)(x) of the Small Business Act (15 U.S.C. 633(b)(3)(B)(x)) is amended by striking “Administration district and region” and inserting “district and region of the Administration”.

#### SEC. 1203. OFFICE OF INTERNATIONAL TRADE.

(a) ESTABLISHMENT.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking “SEC. 22. (a) There” and inserting the following:

##### “SEC. 22. OFFICE OF INTERNATIONAL TRADE.

“(a) ESTABLISHMENT.—

“(1) OFFICE.—There”; and

(2) in subsection (a)—

(A) in paragraph (1), as so designated, by striking the period and inserting “for the primary purposes of increasing—

“(A) the number of small business concerns that export; and

“(B) the volume of exports by small business concerns.”; and

(B) by adding at the end the following:

“(2) ASSOCIATE ADMINISTRATOR.—The head of the Office shall be the Associate Administrator for International Trade, who shall be responsible to the Administrator.”.

(b) AUTHORITY FOR ADDITIONAL ASSOCIATE ADMINISTRATOR.—Section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)) is amended—

(1) in the fifth sentence, by striking “five Associate Administrators” and inserting “Associate Administrators”; and

(2) by adding at the end the following: “One such Associate Administrator shall be the Associate Administrator for International Trade, who shall be the head of the Office of International Trade established under section 22.”.

(c) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended by adding at the end the following:

“(h) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—The Administrator shall ensure that—

“(1) the responsibilities of the Administration regarding international trade are carried out by the Associate Administrator;

“(2) the Associate Administrator has sufficient resources to carry out such responsibilities; and

“(3) the Associate Administrator has direct supervision and control over—

“(A) the staff of the Office; and

“(B) any employee of the Administration whose principal duty station is an Export Assistance Center, or any successor entity.”.

(d) ROLE OF ASSOCIATE ADMINISTRATOR IN CARRYING OUT INTERNATIONAL TRADE POLICY.—Section 2(b)(1) of the Small Business Act (15 U.S.C. 631(b)(1)) is amended in the matter preceding subparagraph (A)—

(1) by inserting “the Administrator of” before “the Small Business Administration”; and

(2) by inserting “through the Associate Administrator for International Trade, and” before “in cooperation with”.

(e) IMPLEMENTATION DATE.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall appoint an Associate Administrator for International Trade under section 22(a) of the Small Business Act (15 U.S.C. 649(a)), as added by this section.

#### SEC. 1204. DUTIES OF THE OFFICE OF INTERNATIONAL TRADE.

(a) AMENDMENTS TO SECTION 22.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) TRADE DISTRIBUTION NETWORK.—The Associate Administrator, working in close cooperation with the Secretary of Commerce, the United States Trade Representative, the Secretary of Agriculture, the Secretary of State, the President of the Export-Import Bank of the United States, the President of the Overseas Private Investment Corporation, Director of the United States Trade and Development Agency, and other relevant Federal agencies, small business development centers engaged in export promotion efforts, Export Assistance Centers, regional and district offices of the Administration, the small business community, and relevant State and local export promotion programs, shall—

“(1) maintain a distribution network, using regional and district offices of the Administration, the small business development center network, networks of women’s business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), and Export Assistance Centers, for programs relating to—

“(A) trade promotion;

“(B) trade finance;

“(C) trade adjustment assistance;

“(D) trade remedy assistance; and

“(E) trade data collection;

“(2) aggressively market the programs described in paragraph (1) and disseminate information, including computerized marketing data, to small business concerns on exporting trends, market-specific growth, industry trends, and international prospects for exports;

“(3) promote export assistance programs through the district and regional offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector; and

“(4) give preference in hiring or approving the transfer of any employee into the Office or to a position described in subsection (c)(9) to otherwise qualified applicants who are fluent in a language in addition to English, to—

“(A) accompany small business concerns on foreign trade missions; and

“(B) translate documents, interpret conversations, and facilitate multilingual transactions, including by providing referral lists for translation services, if required.”;

(2) in subsection (c)—

(A) by striking “(c) The Office” and inserting the following:

“(c) PROMOTION OF SALES OPPORTUNITIES.—The Associate Administrator”; and

(B) by redesignating paragraphs (1) through (8) as paragraphs (2) through (9), respectively;

(C) by inserting before paragraph (2), as so redesignated, the following:

“(1) establish annual goals for the Office relating to—

“(A) enhancing the exporting capability of small business concerns and small manufacturers;

“(B) facilitating technology transfers;

“(C) enhancing programs and services to assist small business concerns and small manufacturers to compete effectively and efficiently against foreign entities;

“(D) increasing the ability of small business concerns to access capital; and

“(E) disseminating information concerning Federal, State, and private programs and initiatives.”;

(D) in paragraph (2), as so redesignated, by striking “mechanism for” and all that follows through “(D) assisting” and inserting the following: “mechanism for—

“(A) identifying subsectors of the small business community with strong export potential;

“(B) identifying areas of demand in foreign markets;

“(C) prescreening foreign buyers for commercial and credit purposes; and

“(D) assisting”;

(E) in paragraph (3), as so redesignated, by striking “assist small businesses in the formation and utilization of” and inserting “assist small business concerns in forming and using”;

(F) in paragraph (4), as so redesignated—

(i) by striking “local” and inserting “district”;

(ii) by striking “existing”;

(iii) by striking “Small Business Development Center network” and inserting “small business development center network”; and

(iv) by striking “Small Business Development Center Program” and inserting “small business development center program”;

(G) in paragraph (5), as so redesignated—

(i) in subparagraph (A), by striking “Gross State Produce” and inserting “Gross State Product”;

(ii) in subparagraph (B), by striking “SIC” each place it appears and inserting “North American Industry Classification System”; and

(iii) in subparagraph (C), by striking “small businesses” and inserting “small business concerns”;

(H) in paragraph (6), as so redesignated, by striking the period at the end and inserting a semicolon;

(I) in paragraph (7), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by inserting “concerns” after “small business”; and

(II) by striking “current” and inserting “up to date”;

(ii) in subparagraph (A), by striking “Administration’s regional offices” and inserting “regional and district offices of the Administration”;

(iii) in subparagraph (B) by striking “current”;

(iv) in subparagraph (C), by striking “current”; and

(v) by striking “small businesses” each place that term appears and inserting “small business concerns”;

(J) in paragraph (8), as so redesignated, by striking and at the end;

(K) in paragraph (9), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by striking “full-time export development specialists to each Administration regional office and assigning”; and

(II) by striking “person in each district office. Such specialists” and inserting “individual in each district office and providing each Administration regional office with a full-time export development specialist, who”;

(ii) in subparagraph (B)—

(I) by striking “current”; and

(II) by striking “with” and inserting “in”;

(iii) in subparagraph (D)—

(I) by striking “Administration personnel involved in granting” and inserting “personnel of the Administration involved in making”; and

(II) by striking “and” at the end;

(iv) in subparagraph (E)—

(I) by striking "small businesses' needs" and inserting "the needs of small business concerns"; and

(II) by striking the period at the end and inserting a semicolon;

(v) by adding at the end the following:

"(F) participate, jointly with employees of the Office, in an annual training program that focuses on current small business needs for exporting; and

"(G) develop and conduct training programs for exporters and lenders, in cooperation with the Export Assistance Centers, the Department of Commerce, the Department of Agriculture, small business development centers, women's business centers, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, and other relevant Federal agencies;" and

(vi) by striking "small businesses" each place that term appears and inserting "small business concerns"; and

(L) by adding at the end the following:

"(10) make available on the website of the Administration the name and contact information of each individual described in paragraph (9);

"(11) carry out a nationwide marketing effort using technology, online resources, training, and other strategies to promote exporting as a business development opportunity for small business concerns;

"(12) disseminate information to the small business community through regional and district offices of the Administration, the small business development center network, Export Assistance Centers, the network of women's business centers, chapters of the Service Corps of Retired Executives authorized by section 8(b)(1), State and local export promotion programs, and partners in the private sector regarding exporting trends, market-specific growth, industry trends, and prospects for exporting; and

"(13) establish and carry out training programs for the staff of the regional and district offices of the Administration and resource partners of the Administration on export promotion and providing assistance relating to exports.";

(3) in subsection (d)—

(A) by redesignating paragraphs (1) through (5) as clauses (i) through (v), respectively, and adjusting the margins accordingly;

(B) by striking "(d) The Office" and inserting the following:

"(d) EXPORT FINANCING PROGRAMS.—

"(1) IN GENERAL.—The Associate Administrator"; and

(C) by striking "To accomplish this goal, the Office shall work" and inserting the following:

"(2) TRADE FINANCE SPECIALIST.—To accomplish the goal established under paragraph (1), the Associate Administrator shall—

"(A) designate at least 1 individual within the Administration as a trade finance specialist to oversee international loan programs and assist Administration employees with trade finance issues; and

"(B) work";

(4) in subsection (e), by striking "(e) The Office" and inserting the following:

"(e) TRADE REMEDIES.—The Associate Administrator";

(5) by amending subsection (f) to read as follows:

"(f) REPORTING REQUIREMENT.—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

"(1) a description of the progress of the Office in implementing the requirements of this section;

"(2) a detailed account of the results of export growth activities of the Administration, including the activities of each district and regional office of the Administration, based on the performance measures described in subsection (i);

"(3) an estimate of the total number of jobs created or retained as a result of export assistance provided by the Administration and resource partners of the Administration;

"(4) for any travel by the staff of the Office, the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel; and

"(5) a description of the participation by the Office in trade negotiations.";

(6) in subsection (g), by striking "(g) The Office" and inserting the following:

"(g) STUDIES.—The Associate Administrator"; and

(7) by adding after subsection (h), as added by section 1203 of this subtitle, the following:

"(i) EXPORT AND TRADE COUNSELING.—

"(1) DEFINITION.—In this subsection—

"(A) the term 'lead small business development center' means a small business development center that has received a grant from the Administration; and

"(B) the term 'lead women's business center' means a women's business center that has received a grant from the Administration.

"(2) CERTIFICATION PROGRAM.—The Administrator shall establish an export and trade counseling certification program to certify employees of lead small business development centers and lead women's business centers in providing export assistance to small business concerns.

"(3) NUMBER OF CERTIFIED EMPLOYEES.—The Administrator shall ensure that the number of employees of each lead small business development center who are certified in providing export assistance is not less than the lesser of—

"(A) 5; or

"(B) 10 percent of the total number of employees of the lead small business development center.

"(4) REIMBURSEMENT FOR CERTIFICATION.—

"(A) IN GENERAL.—Subject to the availability of appropriations, the Administrator shall reimburse a lead small business development center or a lead women's business center for costs relating to the certification of an employee of the lead small business center or lead women's business center in providing export assistance under the program established under paragraph (2).

"(B) LIMITATION.—The total amount reimbursed by the Administrator under subparagraph (A) may not exceed \$350,000 in any fiscal year.

"(j) PERFORMANCE MEASURES.—

"(1) IN GENERAL.—The Associate Administrator shall develop performance measures for the Administration to support export growth goals for the activities of the Office under this section that include—

"(A) the number of small business concerns that—

"(i) receive assistance from the Administration;

"(ii) had not exported goods or services before receiving the assistance described in clause (i); and

"(iii) export goods or services;

"(B) the number of small business concerns receiving assistance from the Administration that export goods or services to a market outside the United States into which the small business concern did not export before receiving the assistance;

"(C) export revenues by small business concerns assisted by programs of the Administration;

"(D) the number of small business concerns referred to an Export Assistance Center or a small business development center by the staff of the Office;

"(E) the number of small business concerns referred to the Administration by an Export Assistance Center or a small business development center; and

"(F) the number of small business concerns referred to the Department of Commerce, the Department of Agriculture, the Department of State, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the United States Trade and Development Agency by the staff of the Office, an Export Assistance Center, or a small business development center.

"(2) JOINT PERFORMANCE MEASURES.—The Associate Administrator shall develop joint performance measures for the district offices of the Administration and the Export Assistance Centers that include the number of export loans made under—

"(A) section 7(a)(16);

"(B) the Export Working Capital Program established under section 7(a)(14);

"(C) the Preferred Lenders Program, as defined in section 7(a)(2)(C)(ii); and

"(D) the export express program established under section 7(a)(34).

"(3) CONSISTENCY OF TRACKING.—The Associate Administrator, in coordination with the departments and agencies that are represented on the Trade Promotion Coordinating Committee established under section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) and the small business development center network, shall develop a system to track exports by small business concerns, including information relating to the performance measures developed under paragraph (1), that is consistent with systems used by the departments and agencies and the network."

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on any travel by the staff of the Office of International Trade of the Administration, during the period beginning on October 1, 2004, and ending on the date of enactment of the Act, including the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel.

#### SEC. 1205. EXPORT ASSISTANCE CENTERS.

(a) EXPORT ASSISTANCE CENTERS.—Section 22 of the Small Business Act (15 U.S.C. 649), as amended by this subtitle, is amended by adding at the end the following:

"(k) EXPORT ASSISTANCE CENTERS.—

"(1) EXPORT FINANCE SPECIALISTS.—

"(A) MINIMUM NUMBER OF EXPORT FINANCE SPECIALISTS.—On and after the date that is 90 days after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that the number of export finance specialists is not less than the number of such employees so assigned on January 1, 2003.

"(B) EXPORT FINANCE SPECIALISTS ASSIGNED TO EACH REGION OF THE ADMINISTRATION.—On and after the date that is 2 years after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that there are not fewer than 3 export finance specialists in each region of the Administration.

"(2) PLACEMENT OF EXPORT FINANCE SPECIALISTS.—

"(A) PRIORITY.—The Administrator shall give priority, to the maximum extent practicable, to placing employees of the Administration at any Export Assistance Center that—



“(i) had an Administration employee assigned to the Export Assistance Center before January 2003; and

“(ii) has not had an Administration employee assigned to the Export Assistance Center during the period beginning January 2003, and ending on the date of enactment of this subsection, either through retirement or reassignment.

“(B) NEEDS OF EXPORTERS.—The Administrator shall, to the maximum extent practicable, strategically assign Administration employees to Export Assistance Centers, based on the needs of exporters.

“(C) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to require the Administrator to reassign or remove an export finance specialist who is assigned to an Export Assistance Center on the date of enactment of this subsection.

“(3) GOALS.—The Associate Administrator shall work with the Department of Commerce, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation to establish shared annual goals for the Export Assistance Centers.

“(4) OVERSIGHT.—The Associate Administrator shall designate an individual within the Administration to oversee all activities conducted by Administration employees assigned to Export Assistance Centers.

“(1) DEFINITIONS.—In this section—

“(1) the term ‘Associate Administrator’ means the Associate Administrator for International Trade described in subsection (a)(2);

“(2) the term ‘Export Assistance Center’ means a one-stop shop for United States exporters established by the United States and Foreign Commercial Service of the Department of Commerce pursuant to section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8));

“(3) the term ‘export finance specialist’ means a full-time equivalent employee of the Office assigned to an Export Assistance Center to carry out the duties described in subsection (e); and

“(4) the term ‘Office’ means the Office of International Trade established under subsection (a)(1).”

(b) STUDY AND REPORT ON FILLING GAPS IN HIGH-AND-LOW-EXPORT VOLUME AREAS.—

(1) STUDY AND REPORT.—Not later than 6 months after the date of enactment of this Act, and every 2 years thereafter, the Administrator shall—

(A) conduct a study of—

(i) the volume of exports for each State;

(ii) the availability of export finance specialists in each State;

(iii) the number of exporters in each State that are small business concerns;

(iv) the percentage of exporters in each State that are small business concerns;

(v) the change, if any, in the number of exporters that are small business concerns in each State—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and

(II) for each subsequent study, during the 10-year period ending on the date the study is commenced;

(vi) the total value of the exports in each State by small business concerns;

(vii) the percentage of the total volume of exports in each State that is attributable to small business concerns; and

(viii) the change, if any, in the percentage of the total volume of exports in each State that is attributable to small business concerns—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and

(II) for each subsequent study, during the 10-year period ending on the date the study is commenced; and

(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—

(i) the results of the study under subparagraph (A);

(ii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the greatest volume of exports, based upon the most recent data available from the Department of Commerce;

(iii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the lowest volume of exports, based upon the most recent data available from the Department of Commerce; and

(iv) such additional information as the Administrator determines is appropriate.

(2) DEFINITION.—In this subsection, the term “export finance specialist” has the meaning given that term in section 22(1) of the Small Business Act, as added by this title.

#### SEC. 1206. INTERNATIONAL TRADE FINANCE PROGRAMS.

(a) LOAN LIMITS.—

(1) TOTAL AMOUNT OUTSTANDING.—Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended by striking “\$1,750,000, of which not more than \$1,250,000” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000), of which not more than \$4,000,000”.

(2) PARTICIPATION.—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i), by striking “subparagraph (B)” and inserting “subparagraphs (B), (D), and (E)”; and

(B) in subparagraph (D), by striking “Notwithstanding subparagraph (A), in” and inserting “In”; and

(C) by adding at the end the following:

“(E) PARTICIPATION IN INTERNATIONAL TRADE LOAN.—In an agreement to participate in a loan on a deferred basis under paragraph (16), the participation by the Administration may not exceed 90 percent.”

(b) WORKING CAPITAL.—Section 7(a)(16)(A) of the Small Business Act (15 U.S.C. 636(a)(16)(A)) is amended—

(1) in the matter preceding clause (i), by striking “in—” and inserting “—”; and

(2) in clause (i)—

(A) by inserting “in” after “(i)”; and

(B) by striking “or” at the end;

(3) in clause (ii)—

(A) by inserting “in” after “(ii)”; and

(B) by striking the period at the end and inserting “, including any debt that qualifies for refinancing under any other provision of this subsection; or”; and

(4) by adding at the end the following:

“(iii) by providing working capital.”

(c) COLLATERAL.—Section 7(a)(16)(B) of the Small Business Act (15 U.S.C. 636(a)(16)(B)) is amended—

(1) by striking “Each loan” and inserting the following:

“(i) IN GENERAL.—Except as provided in clause (ii), each loan”; and

(2) by adding at the end the following:

“(ii) EXCEPTION.—A loan under this paragraph may be secured by a second lien position on the property or equipment financed by the loan or on other assets of the small business concern, if the Administrator determines the lien provides adequate assurance of the payment of the loan.”

(d) EXPORT WORKING CAPITAL PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(D), by striking “not exceed” and inserting “be”; and

(2) in paragraph (14)—

(A) by striking “(A) The Administration” and inserting the following: “EXPORT WORKING CAPITAL PROGRAM.—

“(A) IN GENERAL.—The Administrator”; and

(B) by striking “(B) When considering” and inserting the following:

“(C) CONSIDERATIONS.—When considering”; and

(C) by striking “(C) The Administration” and inserting the following:

“(D) MARKETING.—The Administrator”; and

(D) by inserting after subparagraph (A) the following:

“(B) TERMS.—

“(i) LOAN AMOUNT.—The Administrator may not guarantee a loan under this paragraph of more than \$5,000,000.

“(ii) FEES.—

“(I) IN GENERAL.—For a loan under this paragraph, the Administrator shall collect the fee assessed under paragraph (23) not more frequently than once each year.

“(II) UNTAPPED CREDIT.—The Administrator may not assess a fee on capital that is not accessed by the small business concern.”

(e) PARTICIPATION IN PREFERRED LENDERS PROGRAM.—Section 7(a)(2)(C) of the Small Business Act (15 U.S.C. 636(a)(2)(C)) is amended—

(1) by redesignating clause (ii) as clause (iii); and

(2) by inserting after clause (i) the following:

“(ii) EXPORT-IMPORT BANK LENDERS.—Any lender that is participating in the Delegated Authority Lender Program of the Export-Import Bank of the United States (or any successor to the Program) shall be eligible to participate in the Preferred Lenders Program.”

(f) EXPORT EXPRESS PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

“(35) EXPORT EXPRESS PROGRAM.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘export development activity’ includes—

“(I) obtaining a standby letter of credit when required as a bid bond, performance bond, or advance payment guarantee;

“(II) participation in a trade show that takes place outside the United States;

“(III) translation of product brochures or catalogues for use in markets outside the United States;

“(IV) obtaining a general line of credit for export purposes;

“(V) performing a service contract from buyers located outside the United States;

“(VI) obtaining transaction-specific financing associated with completing export orders;

“(VII) purchasing real estate or equipment to be used in the production of goods or services for export;

“(VIII) providing term loans or other financing to enable a small business concern, including an export trading company and an export management company, to develop a market outside the United States; and

“(IX) acquiring, constructing, renovating, modernizing, improving, or expanding a production facility or equipment to be used in the United States in the production of goods or services for export; and

“(ii) the term ‘express loan’ means a loan in which a lender uses to the maximum extent practicable the loan analyses, procedures, and documentation of the lender to

provide expedited processing of the loan application.

“(B) **AUTHORITY.**—The Administrator may guarantee the timely payment of an express loan to a small business concern made for an export development activity.

“(C) **LEVEL OF PARTICIPATION.**—

“(i) **MAXIMUM AMOUNT.**—The maximum amount of an express loan guaranteed under this paragraph shall be \$500,000.

“(ii) **PERCENTAGE.**—For an express loan guaranteed under this paragraph, the Administrator shall guarantee—

“(I) 90 percent of a loan that is not more than \$350,000; and

“(II) 75 percent of a loan that is more than \$350,000 and not more than \$500,000.”

(g) **ANNUAL LISTING OF EXPORT FINANCE LENDERS.**—Section 7(a)(16) of the Small Business Act (15 U.S.C. 636(a)(16)) is amended by adding at the end the following:

“(F) **LIST OF EXPORT FINANCE LENDERS.**—

“(i) **PUBLICATION OF LIST REQUIRED.**—The Administrator shall publish an annual list of the banks and participating lending institutions that, during the 1-year period ending on the date of publication of the list, have made loans guaranteed by the Administration under—

“(I) this paragraph;

“(II) paragraph (14); or

“(III) paragraph (34).

“(ii) **AVAILABILITY OF LIST.**—The Administrator shall—

“(I) post the list published under clause (i) on the website of the Administration; and

“(II) make the list published under clause (i) available, upon request, at each district office of the Administration.”

(h) **APPLICABILITY.**—The amendments made by subsections (a) through (f) shall apply with respect to any loan made after the date of enactment of this Act.

#### **SEC. 1207. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.**

(a) **DEFINITIONS.**—In this section—

(1) the term “eligible small business concern” means a small business concern that—

(A) has been in business for not less than the 1-year period ending on the date on which assistance is provided using a grant under this section;

(B) is operating profitably, based on operations in the United States;

(C) has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping, as determined by the Associate Administrator; and

(D) has in effect a strategic plan for exporting;

(2) the term “program” means the State Trade and Export Promotion Grant Program established under subsection (b);

(3) the term “small business concern owned and controlled by women” has the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632);

(4) the term “socially and economically disadvantaged small business concern” has the meaning given that term in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 657(a)(4)(A)); and

(5) the term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(b) **ESTABLISHMENT OF PROGRAM.**—The Associate Administrator shall establish a 3-year trade and export promotion pilot program to be known as the State Trade and Export Promotion Grant Program, to make grants to States to carry out export programs that assist eligible small business concerns in—

(1) participation in a foreign trade mission;

(2) a foreign market sales trip;

(3) a subscription to services provided by the Department of Commerce;

(4) the payment of website translation fees;

(5) the design of international marketing media;

(6) a trade show exhibition;

(7) participation in training workshops; or

(8) any other export initiative determined appropriate by the Associate Administrator.

(c) **GRANTS.**—

(1) **JOINT REVIEW.**—In carrying out the program, the Associate Administrator may make a grant to a State to increase the number of eligible small business concerns in the State that export or to increase the value of the exports by eligible small business concerns in the State.

(2) **CONSIDERATIONS.**—In making grants under this section, the Associate Administrator may give priority to an application by a State that proposes a program that—

(A) focuses on eligible small business concerns as part of an export promotion program;

(B) demonstrates success in promoting exports by—

(i) socially and economically disadvantaged small business concerns;

(ii) small business concerns owned or controlled by women; and

(iii) rural small business concerns;

(C) promotes exports from a State that is not 1 of the 10 States with the highest percentage of exporters that are small business concerns, based upon the latest data available from the Department of Commerce; and

(D) promotes new-to-market export opportunities to the People's Republic of China for eligible small business concerns in the United States.

(3) **LIMITATIONS.**—

(A) **SINGLE APPLICATION.**—A State may not submit more than 1 application for a grant under the program in any 1 fiscal year.

(B) **PROPORTION OF AMOUNTS.**—The total value of grants under the program made during a fiscal year to the 10 States with the highest number of exporters that are small business concerns, based upon the latest data available from the Department of Commerce, shall be not more than 40 percent of the amounts appropriated for the program for that fiscal year.

(4) **APPLICATION.**—A State desiring a grant under the program shall submit an application at such time, in such manner, and accompanied by such information as the Associate Administrator may establish.

(d) **COMPETITIVE BASIS.**—The Associate Administrator shall award grants under the program on a competitive basis.

(e) **FEDERAL SHARE.**—The Federal share of the cost of an export program carried out using a grant under the program shall be—

(1) for a State that has a high export volume, as determined by the Associate Administrator, not more than 65 percent; and

(2) for a State that does not have a high export volume, as determined by the Associate Administrator, not more than 75 percent.

(f) **NON-FEDERAL SHARE.**—The non-Federal share of the cost of an export program carried using a grant under the program shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

(g) **REPORTS.**—

(1) **INITIAL REPORT.**—Not later than 120 days after the date of enactment of this Act, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report, which shall include—

(A) a description of the structure of and procedures for the program;

(B) a management plan for the program; and

(C) a description of the merit-based review process to be used in the program.

(2) **ANNUAL REPORTS.**—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the program, which shall include—

(A) the number and amount of grants made under the program during the preceding year;

(B) a list of the States receiving a grant under the program during the preceding year, including the activities being performed with grant; and

(C) the effect of each grant on exports by eligible small business concerns in the State receiving the grant.

(h) **REVIEWS BY INSPECTOR GENERAL.**—

(1) **IN GENERAL.**—The Inspector General of the Administration shall conduct a review of—

(A) the extent to which recipients of grants under the program are measuring the performance of the activities being conducted and the results of the measurements; and

(B) the overall management and effectiveness of the program.

(2) **REPORT.**—Not later than September 30, 2012, the Inspector General of the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the review conducted under paragraph (1).

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out the program \$30,000,000 for each of fiscal years 2011, 2012, and 2013.

(j) **TERMINATION.**—The authority to carry out the program shall terminate 3 years after the date on which the Associate Administrator establishes the program.

#### **SEC. 1208. RURAL EXPORT PROMOTION.**

Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Commerce, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that contains—

(1) a description of each program of the Administration that promotes exports by rural small business concerns, including—

(A) the number of rural small business concerns served by the program;

(B) the change, if any, in the number of rural small business concerns as a result of participation in the program during the 10-year period ending on the date of enactment of this Act;

(C) the volume of exports by rural small business concerns that participate in the program; and

(D) the change, if any, in the volume of exports by rural small businesses that participate in the program during the 10-year period ending on the date of enactment of this Act;

(2) a description of the coordination between programs of the Administration and other Federal programs that promote exports by rural small business concerns;

(3) recommendations, if any, for improving the coordination described in paragraph (2);

(4) a description of any plan by the Administration to market the international trade financing programs of the Administration through lenders that—

(A) serve rural small business concerns; and

(B) are associated with financing programs of the Department of Agriculture;

(5) recommendations, if any, for improving coordination between the counseling programs and export financing programs of the Administration, in order to increase the volume of exports by rural small business concerns; and

(6) any additional information the Administrator determines is necessary.

**SEC. 1209. INTERNATIONAL TRADE COOPERATION BY SMALL BUSINESS DEVELOPMENT CENTERS.**

Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) by striking “(2) The Small Business Development Centers” and inserting the following:

“(2) COOPERATION TO PROVIDE INTERNATIONAL TRADE SERVICES.—

“(A) INFORMATION AND SERVICES.—The small business development centers”; and

(2) in paragraph (2)—

(A) in subparagraph (A), as so designated, by inserting “(including State trade agencies),” after “local agencies”; and

(B) by adding at the end the following:

“(B) COOPERATION WITH STATE TRADE AGENCIES AND EXPORT ASSISTANCE CENTERS.—A small business development center that counsels a small business concern on issues relating to international trade shall—

“(i) consult with State trade agencies and Export Assistance Centers to provide appropriate services to the small business concern; and

“(ii) as necessary, refer the small business concern to a State trade agency or an Export Assistance Center for further counseling or assistance.

“(C) DEFINITION.—In this paragraph, the term ‘Export Assistance Center’ has the same meaning as in section 22.”

**Subtitle C—Small Business Contracting  
PART I—CONTRACT BUNDLING**

**SEC. 1311. SMALL BUSINESS ACT.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1202, is amended by adding at the end the following:

“(v) MULTIPLE AWARD CONTRACT.—In this Act, the term ‘multiple award contract’ means—

“(1) a multiple award task order contract or delivery order contract that is entered into under the authority of sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

“(2) any other indefinite delivery, indefinite quantity contract that is entered into by the head of a Federal agency with 2 or more sources pursuant to the same solicitation.”

**SEC. 1312. LEADERSHIP AND OVERSIGHT.**

(a) IN GENERAL.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following:

“(q) BUNDLING ACCOUNTABILITY MEASURES.—

“(1) TEAMING REQUIREMENTS.—Each Federal agency shall include in each solicitation for any multiple award contract above the substantial bundling threshold of the Federal agency a provision soliciting bids from any responsible source, including responsible small business concerns and teams or joint ventures of small business concerns.

“(2) POLICIES ON REDUCTION OF CONTRACT BUNDLING.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 4219(a)) shall amend the Federal Ac-

quisition Regulation issued under section 25 of such Act to—

“(i) establish a Government-wide policy regarding contract bundling, including regarding the solicitation of teaming and joint ventures under paragraph (1); and

“(ii) require that the policy established under clause (i) be published on the website of each Federal agency.

“(B) RATIONALE FOR CONTRACT BUNDLING.—Not later than 30 days after the date on which the head of a Federal agency submits data certifications to the Administrator for Federal Procurement Policy, the head of the Federal agency shall publish on the website of the Federal agency a list and rationale for any bundled contract for which the Federal agency solicited bids or that was awarded by the Federal agency.

“(3) REPORTING.—Not later than 90 days after the date of enactment of this subsection, and every 3 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding procurement center representatives and commercial market representatives, which shall—

“(A) identify each area for which the Administration has assigned a procurement center representative or a commercial market representative;

“(B) explain why the Administration selected the areas identified under subparagraph (A); and

“(C) describe the activities performed by procurement center representatives and commercial market representatives.”

(b) TECHNICAL CORRECTION.—Section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended by striking “Administrator of the Office of Federal Procurement Policy” each place it appears and inserting “Administrator for Federal Procurement Policy”.

(c) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report regarding the procurement center representative program of the Administration.

(2) CONTENTS.—The report submitted under paragraph (1) shall—

(A) address ways to improve the effectiveness of the procurement center representative program in helping small business concerns obtain Federal contracts;

(B) evaluate the effectiveness of procurement center representatives and commercial marketing representatives; and

(C) include recommendations, if any, on how to improve the procurement center representative program.

(d) ELECTRONIC PROCUREMENT CENTER REPRESENTATIVE.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator shall implement a 3-year pilot electronic procurement center representative program.

(2) REPORT.—Not later than 30 days after the pilot program under paragraph (1) ends, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the pilot program.

**SEC. 1313. CONSOLIDATION OF CONTRACT REQUIREMENTS.**

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 44 as section 45; and

(2) by inserting after section 43 the following:

**“SEC. 44. CONSOLIDATION OF CONTRACT REQUIREMENTS.**

“(a) DEFINITIONS.—In this section—

“(1) the term ‘Chief Acquisition Officer’ means the employee of a Federal agency designated as the Chief Acquisition Officer for the Federal agency under section 16(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(a));

“(2) the term ‘consolidation of contract requirements’, with respect to contract requirements of a Federal agency, means a use of a solicitation to obtain offers for a single contract or a multiple award contract to satisfy 2 or more requirements of the Federal agency for goods or services that have been provided to or performed for the Federal agency under 2 or more separate contracts lower in cost than the total cost of the contract for which the offers are solicited; and

“(3) the term ‘senior procurement executive’ means an official designated under section 16(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(c)) as the senior procurement executive for a Federal agency.

“(b) POLICY.—The head of each Federal agency shall ensure that the decisions made by the Federal agency regarding consolidation of contract requirements of the Federal agency are made with a view to providing small business concerns with appropriate opportunities to participate as prime contractors and subcontractors in the procurements of the Federal agency.

“(c) LIMITATION ON USE OF ACQUISITION STRATEGIES INVOLVING CONSOLIDATION.—

“(1) IN GENERAL.—Subject to paragraph (4), the head of a Federal agency may not carry out an acquisition strategy that includes a consolidation of contract requirements of the Federal agency with a total value of more than \$2,000,000, unless the senior procurement executive or Chief Acquisition Officer for the Federal agency, before carrying out the acquisition strategy—

“(A) conducts market research;

“(B) identifies any alternative contracting approaches that would involve a lesser degree of consolidation of contract requirements;

“(C) makes a written determination that the consolidation of contract requirements is necessary and justified;

“(D) identifies any negative impact by the acquisition strategy on contracting with small business concerns; and

“(E) certifies to the head of the Federal agency that steps will be taken to include small business concerns in the acquisition strategy.

“(2) DETERMINATION THAT CONSOLIDATION IS NECESSARY AND JUSTIFIED.—

“(A) IN GENERAL.—A senior procurement executive or Chief Acquisition Officer may determine that an acquisition strategy involving a consolidation of contract requirements is necessary and justified for the purposes of paragraph (1)(C) if the benefits of the acquisition strategy substantially exceed the benefits of each of the possible alternative contracting approaches identified under paragraph (1)(B).

“(B) SAVINGS IN ADMINISTRATIVE OR PERSONNEL COSTS.—For purposes of subparagraph (A), savings in administrative or personnel costs alone do not constitute a sufficient justification for a consolidation of contract requirements in a procurement unless the expected total amount of the cost savings, as determined by the senior procurement executive or Chief Acquisition Officer, is expected to be substantial in relation to the total cost of the procurement.

“(3) BENEFITS TO BE CONSIDERED.—The benefits considered for the purposes of paragraphs (1) and (2) may include cost and, regardless of whether quantifiable in dollar amounts—

“(A) quality;

“(B) acquisition cycle;

“(C) terms and conditions; and

“(D) any other benefit.

“(4) DEPARTMENT OF DEFENSE.—

“(A) IN GENERAL.—The Department of Defense and each military department shall comply with this section until after the date described in subparagraph (C).

“(B) RULE.—After the date described in subparagraph (C), contracting by the Department of Defense or a military department shall be conducted in accordance with section 2382 of title 10, United States Code.

“(C) DATE.—The date described in this subparagraph is the date on which the Administrator determines the Department of Defense or a military department is in compliance with the Government-wide contracting goals under section 15.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 2382(b)(1) of title 10, United States Code, is amended by striking “An official” and inserting “Subject to section 44(c)(4), an official”.

#### SEC. 1314. SMALL BUSINESS TEAMS PILOT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “Pilot Program” means the Small Business Teaming Pilot Program established under subsection (b); and

(2) the term “eligible organization” means a well-established national organization for small business concerns with the capacity to provide assistance to small business concerns (which may be provided with the assistance of the Administrator) relating to—

(A) customer relations and outreach;

(B) team relations and outreach; and

(C) performance measurement and quality assurance.

(b) ESTABLISHMENT.—The Administrator shall establish a Small Business Teaming Pilot Program for teaming and joint ventures involving small business concerns.

(c) GRANTS.—Under the Pilot Program, the Administrator may make grants to eligible organizations to provide assistance and guidance to teams of small business concerns seeking to compete for larger procurement contracts.

(d) CONTRACTING OPPORTUNITIES.—The Administrator shall work with eligible organizations receiving a grant under the Pilot Program to recommend appropriate contracting opportunities for teams or joint ventures of small business concerns.

(e) REPORT.—Not later than 1 year before the date on which the authority to carry out the Pilot Program terminates under subsection (f), the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the effectiveness of the Pilot Program.

(f) TERMINATION.—The authority to carry out the Pilot Program shall terminate 5 years after the date of enactment of this Act.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under subsection (c) \$5,000,000 for each of fiscal years 2010 through 2015.

#### PART II—SUBCONTRACTING INTEGRITY

##### SEC. 1321. SUBCONTRACTING MISREPRESENTATIONS.

Not later than 1 year after the date of enactment of this Act, the Administrator, in consultation with the Administrator for Federal Procurement Policy, shall promulgate regulations relating to, and the Federal Ac-

quisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to establish a policy on, subcontracting compliance relating to small business concerns, including assignment of compliance responsibilities between contracting offices, small business offices, and program offices and periodic oversight and review activities.

##### SEC. 1322. SMALL BUSINESS SUBCONTRACTING IMPROVEMENTS.

Section 8(d)(6) of the Small Business Act (15 U.S.C. 637(d)(6)) is amended—

(1) in subparagraph (E), by striking “and” at the end;

(2) in subparagraph (F), by striking the period at the end and inserting “; and”; and

(3) by adding at the end, the following:

“(G) a representation that the offeror or bidder will—

“(i) make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns used in preparing and submitting to the contracting agency the bid or proposal, in the same amount and quality used in preparing and submitting the bid or proposal; and

“(ii) provide to the contracting officer a written explanation if the offeror or bidder fails to acquire articles, equipment, supplies, services, or materials or obtain the performance of construction work as described in clause (i).”.

#### PART III—ACQUISITION PROCESS

##### SEC. 1331. RESERVATION OF PRIME CONTRACT AWARDS FOR SMALL BUSINESSES.

Section 15 of the Small Business Act (15 U.S.C. 644), as amended by this Act, is amended by adding at the end the following:

“(r) MULTIPLE AWARD CONTRACTS.—Not later than 1 year after the date of enactment of this subsection, the Administrator for Federal Procurement Policy and the Administrator, in consultation with the Administrator of General Services, shall, by regulation, establish guidance under which Federal agencies may, at their discretion—

“(1) set aside part or parts of a multiple award contract for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2);

“(2) notwithstanding the fair opportunity requirements under section 2304c(b) of title 10, United States Code, and section 303J(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253j(b)), set aside orders placed against multiple award contracts for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2); and

“(3) reserve 1 or more contract awards for small business concerns under full and open multiple award procurements, including the subcategories of small business concerns identified in subsection (g)(2).”.

##### SEC. 1332. MICRO-PURCHASE GUIDELINES.

Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget, in coordination with the Administrator of General Services, shall issue guidelines regarding the analysis of purchase card expenditures to identify opportunities for achieving and accurately measuring fair participation of small business concerns in purchases in an amount not in excess of the micro-purchase threshold, as defined in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) (in this section referred to as “micro-purchases”), consistent with the national policy on small business participation in Federal procurements set forth in sections 2(a) and 15(g) of the Small Business Act (15

U.S.C. 631(a) and 644(g)), and dissemination of best practices for participation of small business concerns in micro-purchases.

##### SEC. 1333. AGENCY ACCOUNTABILITY.

Section 15(g)(2) of the Small Business Act (15 U.S.C. 644(g)(2)) is amended—

(1) by inserting “(A)” after “(2)”;

(2) by striking “Goals established” and inserting the following:

“(B) Goals established”;

(3) by striking “Whenever” and inserting the following:

“(C) Whenever”;

(4) by striking “For the purpose of” and inserting the following:

“(D) For the purpose of”;

(5) by striking “The head of each Federal agency, in attempting to attain such participation” and inserting the following:

“(E) The head of each Federal agency, in attempting to attain the participation described in subparagraph (D)”.

(6) in subparagraph (E), as so designated—

(A) by striking “(A) contracts” and inserting “(i) contracts”; and

(B) by striking “(B) contracts” and inserting “(ii) contracts”; and

(7) by adding at the end the following:

“(F)(i) Each procurement employee or program manager described in clause (ii) shall communicate to the subordinates of the procurement employee or program manager the importance of achieving small business goals.

“(ii) A procurement employee or program manager described in this clause is a senior procurement executive, senior program manager, or Director of Small and Disadvantaged Business Utilization of a Federal agency having contracting authority.”.

##### SEC. 1334. PAYMENT OF SUBCONTRACTORS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended by adding at the end the following:

“(12) PAYMENT OF SUBCONTRACTORS.—

“(A) DEFINITION.—In this paragraph, the term ‘covered contract’ means a contract relating to which a prime contractor is required to develop a subcontracting plan under paragraph (4) or (5).

“(B) NOTICE.—

“(i) IN GENERAL.—A prime contractor for a covered contract shall notify in writing the contracting officer for the covered contract if the prime contractor pays a reduced price to a subcontractor for goods and services upon completion of the responsibilities of the subcontractor or the payment to a subcontractor is more than 90 days past due for goods or services provided for the covered contract for which the Federal agency has paid the prime contractor.

“(ii) CONTENTS.—A prime contractor shall include the reason for the reduction in a payment to or failure to pay a subcontractor in any notice made under clause (i).

“(C) PERFORMANCE.—A contracting officer for a covered contract shall consider the unjustified failure by a prime contractor to make a full or timely payment to a subcontractor in evaluating the performance of the prime contractor.

“(D) CONTROL OF FUNDS.—If the contracting officer for a covered contract determines that a prime contractor has a history of unjustified, untimely payments to contractors, the contracting officer shall record the identity of the contractor in accordance with the regulations promulgated under subparagraph (E).

“(E) REGULATIONS.—Not later than 1 year after the date of enactment of this paragraph, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) describe the circumstances under which a contractor may be determined to have a history of unjustified, untimely payments to subcontractors;

“(ii) establish a process for contracting officers to record the identity of a contractor described in clause (i); and

“(iii) require the identity of a contractor described in clause (i) to be incorporated in, and made publicly available through, the Federal Awardee Performance and Integrity Information System, or any successor thereto.”.

#### **SEC. 1335. REPEAL OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.**

(a) IN GENERAL.—The Business Opportunity Development Reform Act of 1988 (Public Law 100-656) is amended by striking title VII (15 U.S.C. 644 note).

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by this section—

(1) shall take effect on the date of enactment of this Act; and

(2) apply to the first full fiscal year after the date of enactment of this Act.

#### **PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY**

##### **SEC. 1341. POLICY AND PRESUMPTIONS.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1311, is amended by adding at the end the following:

“(w) PRESUMPTION.—

“(1) IN GENERAL.—In every contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant which is set aside, reserved, or otherwise classified as intended for award to small business concerns, there shall be a presumption of loss to the United States based on the total amount expended on the contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant whenever it is established that a business concern other than a small business concern willfully sought and received the award by misrepresentation.

“(2) DEEMED CERTIFICATIONS.—The following actions shall be deemed affirmative, willful, and intentional certifications of small business size and status:

“(A) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement reserved, set aside, or otherwise classified as intended for award to small business concerns.

“(B) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement which in any way encourages a Federal agency to classify the bid or proposal, if awarded, as an award to a small business concern.

“(C) Registration on any Federal electronic database for the purpose of being considered for award of a Federal grant, contract, subcontract, cooperative agreement, or cooperative research agreement, as a small business concern.

“(3) CERTIFICATION BY SIGNATURE OF RESPONSIBLE OFFICIAL.—

“(A) IN GENERAL.—Each solicitation, bid, or application for a Federal contract, subcontract, or grant shall contain a certification concerning the small business size and status of a business concern seeking the Federal contract, subcontract, or grant.

“(B) CONTENT OF CERTIFICATIONS.—A certification that a business concern qualifies as a small business concern of the exact size and status claimed by the business concern for purposes of bidding on a Federal contract or subcontract, or applying for a Federal grant, shall contain the signature of an authorized official on the same page on which the certification is contained.

“(4) REGULATIONS.—The Administrator shall promulgate regulations to provide adequate protections to individuals and business concerns from liability under this subsection in cases of unintentional errors, technical malfunctions, and other similar situations.”.

##### **SEC. 1342. ANNUAL CERTIFICATION.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1341, is amended by adding at the end the following:

“(x) ANNUAL CERTIFICATION.—

“(1) IN GENERAL.—Each business certified as a small business concern under this Act shall annually certify its small business size and, if appropriate, its small business status, by means of a confirming entry on the Online Representations and Certifications Application database of the Administration, or any successor thereto.

“(2) REGULATIONS.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Inspector General and the Chief Counsel for Advocacy of the Administration, shall promulgate regulations to ensure that—

“(A) no business concern continues to be certified as a small business concern on the Online Representations and Certifications Application database of the Administration, or any successor thereto, without fulfilling the requirements for annual certification under this subsection; and

“(B) the requirements of this subsection are implemented in a manner presenting the least possible regulatory burden on small business concerns.”.

##### **SEC. 1343. TRAINING FOR CONTRACTING AND ENFORCEMENT PERSONNEL.**

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Acquisition Institute, in consultation with the Administrator for Federal Procurement Policy, the Defense Acquisition University, and the Administrator, shall develop courses for acquisition personnel concerning proper classification of business concerns and small business size and status for purposes of Federal contracts, subcontracts, grants, cooperative agreements, and cooperative research and development agreements.

(b) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1342, is amended by adding at the end the following:

“(y) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Attorney General, shall issue a Government-wide policy on prosecution of small business size and status fraud, which shall direct Federal agencies to appropriately publicize the policy.”.

##### **SEC. 1344. UPDATED SIZE STANDARDS.**

(a) ROLLING REVIEW.—

(1) IN GENERAL.—The Administrator shall—

(A) during the 18-month period beginning on the date of enactment of this Act, and during every 18-month period thereafter, conduct a detailed review of not less than 1/3 of the size standards for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)), which shall include holding not less than 2 public forums located in different geographic regions of the United States;

(B) after completing each review under subparagraph (A) make appropriate adjustments to the size standards established under section 3(a)(2) of the Small Business Act to reflect market conditions;

(C) make publicly available—

(i) information regarding the factors evaluated as part of each review conducted under subparagraph (A); and

(ii) information regarding the criteria used for any revised size standards promulgated under subparagraph (B); and

(D) not later than 30 days after the date on which the Administrator completes each review under subparagraph (A), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives and make publicly available a report regarding the review, including why the Administrator—

(i) used the factors and criteria described in subparagraph (C); and

(ii) adjusted or did not adjust each size standard that was reviewed under the review.

(2) COMPLETE REVIEW OF SIZE STANDARDS.—The Administrator shall ensure that each size standard for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is reviewed under paragraph (1) not less frequently than once every 5 years.

(b) RULES.—Not later than 1 year after the date of enactment of this Act, the Administrator shall promulgate rules for conducting the reviews required under subsection (a).

##### **SEC. 1345. STUDY AND REPORT ON THE MENTOR-PROTEGE PROGRAM.**

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the mentor-protégé program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), and other relationships and strategic alliances pairing a larger business and a small business concern partner to gain access to Federal Government contracts, to determine whether the programs and relationships are effectively supporting the goal of increasing the participation of small business concerns in Government contracting.

(b) MATTERS TO BE STUDIED.—The study conducted under this section shall include—

(1) a review of a broad cross-section of industries; and

(2) an evaluation of—

(A) how each Federal agency carrying out a program described in subsection (a) administers and monitors the program;

(B) whether there are systems in place to ensure that the mentor-protégé relationship, or similar affiliation, promotes real gain to the protégé, and is not just a mechanism to enable participants that would not otherwise qualify under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) to receive contracts under that section; and

(C) the degree to which protégé businesses become able to compete for Federal contracts without the assistance of a mentor.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of the study conducted under this section.

##### **SEC. 1346. CONTRACTING GOALS REPORTS.**

Section 15(h)(2) of the Small Business Act (15 U.S.C. 644(h)(2)) is amended by striking “submit them” and all that follows through “the following:” and inserting “submit to the President and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives the compilation and analysis, which shall include the following:”.

##### **SEC. 1347. SMALL BUSINESS CONTRACTING PARITY.**

(a) DEFINITIONS.—In this section—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the terms “HUBZone small business concern”, “small business concern”, “small business concern owned and controlled by service-disabled veterans”, and “small business concern owned and controlled by women” have the same meanings as in section 3 of the Small Business Act (15 U.S.C. 632).

(b) CONTRACTING IMPROVEMENTS.—

(1) CONTRACTING OPPORTUNITIES.—Section 31(b)(2)(B) of the Small Business Act (15 U.S.C. 657a(b)(2)(B)) is amended by striking “shall” and inserting “may”.

(2) CONTRACTING GOALS.—Section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)) is amended in the fourth sentence by inserting “and subcontract” after “not less than 3 percent of the total value of all prime contract”.

(3) MENTOR-PROTEGE PROGRAMS.—The Administrator may establish mentor-protége programs for small business concerns owned and controlled by service-disabled veterans, small business concerns owned and controlled by women, and HUBZone small business concerns modeled on the mentor-protége program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(c) SMALL BUSINESS CONTRACTING PROGRAMS PARITY.—Section 31(b)(2) of the Small Business Act (15 U.S.C. 657a(b)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking “Notwithstanding any other provision of law—”;

(2) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking “a contracting” and inserting “SOLE SOURCE CONTRACTS.—A contracting”; and

(B) in clause (iii), by striking the semicolon at the end and inserting a period;

(3) in subparagraph (B)—

(A) by striking “a contract opportunity shall” and inserting “RESTRICTED COMPETITION.—A contract opportunity may”; and

(B) by striking “; and” and inserting a period; and

(4) in subparagraph (C), by striking “not later” and inserting “APPEALS.—Not later”.

#### **Subtitle D—Small Business Management and Counseling Assistance**

#### **SEC. 1401. MATCHING REQUIREMENTS UNDER SMALL BUSINESS PROGRAMS.**

(a) MICROLOAN PROGRAM.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (3)(B)—

(A) by striking “As a condition” and inserting the following:

“(i) IN GENERAL.—Subject to clause (ii), as a condition”;

(B) by striking “the Administration” and inserting “the Administrator”; and

(C) by adding at the end the following:

“(ii) WAIVER OF NON-FEDERAL SHARE.—

“(I) IN GENERAL.—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) CONSIDERATIONS.—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) LIMITATIONS.—

“(aa) IN GENERAL.—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

“(bb) SUNSET.—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”; and

(2) in paragraph (4)(B)—

(A) by striking “As a condition” and all that follows through “the Administration shall require” and inserting the following:

“(i) IN GENERAL.—Subject to clause (ii), as a condition of a grant made under subparagraph (A), the Administrator shall require”; and

(B) by adding at the end the following:

“(ii) WAIVER OF NON-FEDERAL SHARE.—

“(I) IN GENERAL.—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) CONSIDERATIONS.—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) LIMITATIONS.—

“(aa) IN GENERAL.—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

“(bb) SUNSET.—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”.

(b) WOMEN'S BUSINESS CENTER PROGRAM.—Section 29(c) of the Small Business Act (15 U.S.C. 656(c)) is amended—

(1) in paragraph (1), by striking “As a condition” and inserting “Subject to paragraph (5), as a condition”; and

(2) by adding at the end the following:

“(5) WAIVER OF NON-FEDERAL SHARE RELATING TO TECHNICAL ASSISTANCE AND COUNSELING.—

“(A) IN GENERAL.—Upon request by a recipient organization, and in accordance with this paragraph, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under this subsection for the technical assistance and counseling activities of the recipient organization carried out using financial assistance under this section for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this paragraph for successive fiscal years.

“(B) CONSIDERATIONS.—In determining whether to waive the requirement to obtain non-Federal funds under this paragraph, the Administrator shall consider—

“(i) the economic conditions affecting the recipient organization;

“(ii) the impact a waiver under this clause would have on the credibility of the women's business center program under this section;

“(iii) the demonstrated ability of the recipient organization to raise non-Federal funds; and

“(iv) the performance of the recipient organization.

“(C) LIMITATIONS.—

“(i) IN GENERAL.—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph if granting the waiver would undermine the credibility of the women's business center program under this section.

“(ii) SUNSET.—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph for fiscal year 2013 or any fiscal year thereafter.”.

(c) PROSPECTIVE REPEALS.—Effective October 1, 2012, the Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) in section 7(m) (15 U.S.C. 636(m))—

(A) in paragraph (3)(B)—

(i) by striking “INTERMEDIARY CONTRIBUTION.—” and all that follows through “Subject to clause (ii), as” and inserting “INTERMEDIARY CONTRIBUTION.—As”; and

(ii) by striking clause (ii); and

(B) in paragraph (4)(B)—

(i) by striking “CONTRIBUTION.—” and all that follows through “Subject to clause (ii), as” and inserting “CONTRIBUTION.—As”; and

(ii) by striking clause (ii); and

(2) in section 29(c) (15 U.S.C. 656(c))—

(A) in paragraph (1), by striking “Subject to paragraph (5), as” and inserting “As”; and

(B) by striking paragraph (5).

#### **SEC. 1402. GRANTS FOR SBDCS.**

(a) IN GENERAL.—The Administrator may make grants to small business development centers under section 21 of the Small Business Act (15 U.S.C. 648) to provide targeted technical assistance to small business concerns seeking access to capital or credit, Federal procurement opportunities, energy efficiency audits to reduce energy bills, opportunities to export products or provide services to foreign customers, adopting, making innovations in, and using broadband technologies, or other assistance.

(b) ALLOCATION.—

(1) IN GENERAL.—Subject to paragraph (2), and notwithstanding the requirements of section 21(a)(4)(C)(iii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(iii)), the amount appropriated to carry out this section shall be allocated under the formula under section 21(a)(4)(C)(i) of that Act.

(2) MINIMUM FUNDING.—The amount made available under this section to each State shall be not less than \$325,000.

(3) TYPES OF USES.—Of the total amount of the grants awarded by the Administrator under this section—

(A) not less than 80 percent shall be used for counseling of small business concerns; and

(B) not more than 20 percent may be used for classes or seminars.

(c) NO NON-FEDERAL SHARE REQUIRED.—Notwithstanding section 21(a)(4)(A) of the Small Business Act (15 U.S.C. 648(a)(4)(A)), the recipient of a grant made under this section shall not be required to provide non-Federal matching funds.

(d) DISTRIBUTION.—Not later than 30 days after the date on which amounts are appropriated to carry out this section, the Administrator shall disburse the total amount appropriated.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator \$50,000,000 to carry out this section.

#### **Subtitle E—Disaster Loan Improvement**

#### **SEC. 1501. AQUACULTURE BUSINESS DISASTER ASSISTANCE.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1343, is amended by adding at the end the following:



“(z) AQUACULTURE BUSINESS DISASTER ASSISTANCE.—Subject to section 18(a) and notwithstanding section 18(b)(1), the Administrator may provide disaster assistance under section 7(b)(2) to aquaculture enterprises that are small businesses.”.

**Subtitle F—Small Business Regulatory Relief**  
**SEC. 1601. REQUIREMENTS PROVIDING FOR MORE DETAILED ANALYSES.**

Section 604(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by striking “succinct”;  
 (2) in paragraph (2), by striking “summary” each place it appears and inserting “statement”;

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(4) by inserting after paragraph (2) the following:

“(3) the response of the agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments;”.

**SEC. 1602. OFFICE OF ADVOCACY.**

(a) IN GENERAL.—Section 203 of Public Law 94-305 (15 U.S.C. 634c) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(6) carry out the responsibilities of the Office of Advocacy under chapter 6 of title 5, United States Code.”.

(b) BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking section 207 and inserting the following:

**“SEC. 207. BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.**

“(a) APPROPRIATION REQUESTS.—Each budget of the United States Government submitted by the President under section 1105 of title 31, United States Code, shall include a separate statement of the amount of appropriations requested for the Office of Advocacy of the Small Business Administration, which shall be designated in a separate account in the General Fund of the Treasury.

“(b) ADMINISTRATIVE OPERATIONS.—The Administrator of the Small Business Administration shall provide the Office of Advocacy with appropriate and adequate office space at central and field office locations, together with such equipment, operating budget, and communications facilities and services as may be necessary, and shall provide necessary maintenance services for such offices and the equipment and facilities located in such offices.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this title. Any amount appropriated under this subsection shall remain available, without fiscal year limitation, until expended.”.

**Subtitle G—Appropriations Provisions**

**SEC. 1701. SALARIES AND EXPENSES.**

(a) APPROPRIATION.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, \$150,000,000, to remain available until September 30, 2012, for an additional amount for the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”, of which—

(1) \$50,000,000 is for grants to small business development centers authorized under section 1402;

(2) \$1,000,000 is for the costs of administering grants authorized under section 1402;

(3) \$30,000,000 is for grants to States for fiscal year 2011 to carry out export programs that assist small business concerns authorized under section 1207;

(4) \$30,000,000 is for grants to States for fiscal year 2012 to carry out export programs that assist small business concerns authorized under section 1207;

(5) \$2,500,000 is for the costs of administering grants authorized under section 1207;

(6) \$5,000,000 is for grants for fiscal year 2011 under the Small Business Teaming Pilot Program under section 1314; and

(7) \$5,000,000 is for grants for fiscal year 2012 under the Small Business Teaming Pilot Program under section 1314.

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a detailed expenditure plan for using the funds provided under subsection (a).

**SEC. 1702. BUSINESS LOANS PROGRAM ACCOUNT.**

(a) IN GENERAL.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “BUSINESS LOANS PROGRAM ACCOUNT” under the heading “SMALL BUSINESS ADMINISTRATION”—

(1) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2011 for the cost of direct loans authorized under section 7(1) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(2) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2012 for the cost of direct loans authorized under section 7(1) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(3) \$6,500,000, to remain available until September 30, 2012, for administrative expenses to carry out the direct loan program authorized under section 7(1) of the Small Business Act, as added by section 1131 of this title, which may be transferred to and merged with the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”; and

(4) \$15,000,000, to remain available until September 30, 2011, for the cost of guaranteed loans as authorized under section 7(a) of the Small Business Act, including the cost of modifying the loans.

(b) DEFINITION.—In this section, the term “cost” has the meaning given that term in section 502 of the Congressional Budget Act of 1974.

**SEC. 1703. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT.**

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT” under the heading “DEPARTMENT OF THE TREASURY”, \$13,500,000, to remain available until September 30, 2012, for the costs of administering guarantees for bonds and notes as authorized under section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994, as added by section 1134 of this Act.

**TITLE II—TAX PROVISIONS**

**SEC. 2001. SHORT TITLE.**

This title may be cited as the “Creating Small Business Jobs Act of 2010”.

**Subtitle A—Small Business Relief**

**PART I—PROVIDING ACCESS TO CAPITAL**

**SEC. 2011. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.**

(a) IN GENERAL.—Subsection (a) of section 1202 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 100 PERCENT EXCLUSION FOR STOCK ACQUIRED DURING CERTAIN PERIODS IN 2010.—In the case of qualified small business stock acquired after the date of the enactment of the Creating Small Business Jobs Act of 2010 and before January 1, 2011—

“(A) paragraph (1) shall be applied by substituting ‘100 percent’ for ‘50 percent’;

“(B) paragraph (2) shall not apply, and

“(C) paragraph (7) of section 57(a) shall not apply.”.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 1202(a) of the Internal Revenue Code of 1986 is amended—

(1) by inserting “CERTAIN PERIODS IN” before “2010” in the heading; and

(2) by striking “before January 1, 2011” and inserting “on or before the date of the enactment of the Creating Small Business Jobs Act of 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after the date of the enactment of this Act.

**SEC. 2012. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES FOR 2010 CARRIED BACK 5 YEARS.**

(a) IN GENERAL.—Section 39(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 5-YEAR CARRYBACK FOR ELIGIBLE SMALL BUSINESS CREDITS.—

“(A) IN GENERAL.—Notwithstanding subsection (d), in the case of eligible small business credits determined in the first taxable year of the taxpayer beginning in 2010—

“(i) paragraph (1) shall be applied by substituting ‘each of the 5 taxable years’ for ‘the taxable year’ in subparagraph (A) thereof; and

“(ii) paragraph (2) shall be applied—

“(I) by substituting ‘25 taxable years’ for ‘21 taxable years’ in subparagraph (A) thereof; and

“(II) by substituting ‘24 taxable years’ for ‘20 taxable years’ in subparagraph (B) thereof.

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ has the meaning given such term by section 38(c)(5)(B).”.

(b) CONFORMING AMENDMENT.—Section 39(a)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting “or the eligible small business credits” after “credit”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to credits determined in taxable years beginning after December 31, 2009.

**SEC. 2013. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES IN 2010 NOT SUBJECT TO ALTERNATIVE MINIMUM TAX.**

(a) IN GENERAL.—Section 38(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR ELIGIBLE SMALL BUSINESS CREDITS IN 2010.—

“(A) IN GENERAL.—In the case of eligible small business credits determined in taxable years beginning in 2010—

“(i) this section and section 39 shall be applied separately with respect to such credits, and

“(ii) in applying paragraph (1) to such credits—

“(I) the tentative minimum tax shall be treated as being zero, and

“(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the eligible small business credits).

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ means the sum of the credits listed in subsection (b) which are determined for the taxable year with respect to an eligible small business. Such credits shall not be taken into account under paragraph (2), (3), or (4).

“(C) ELIGIBLE SMALL BUSINESS.—For purposes of this subsection, the term ‘eligible small business’ means, with respect to any taxable year—

“(i) a corporation the stock of which is not publicly traded,

“(ii) a partnership, or

“(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed \$50,000,000. For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.”.

(b) TECHNICAL AMENDMENT.—Section 55(e)(5) of the Internal Revenue Code of 1986 is amended by striking “38(c)(3)(B)” and inserting “38(c)(4)(B)”.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2009, and to carrybacks of such credits.

#### SEC. 2014. TEMPORARY REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.

(a) IN GENERAL.—Subparagraph (B) of section 1374(d)(7) of the Internal Revenue Code of 1986 is amended to read as follows:

“(B) SPECIAL RULES FOR 2009, 2010, AND 2011.—No tax shall be imposed on the net recognized built-in gain of an S corporation—

“(i) in the case of any taxable year beginning in 2009 or 2010, if the 7th taxable year in the recognition period preceded such taxable year, or

“(ii) in the case of any taxable year beginning in 2011, if the 5th year in the recognition period preceded such taxable year. The preceding sentence shall be applied separately with respect to any asset to which paragraph (8) applies.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2010.

#### PART II—ENCOURAGING INVESTMENT

#### SEC. 2021. INCREASED EXPENSING LIMITATIONS FOR 2010 AND 2011; CERTAIN REAL PROPERTY TREATED AS SECTION 179 PROPERTY.

(a) INCREASED LIMITATIONS.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended—

(1) by striking “shall not exceed” and all that follows in paragraph (1) and inserting “shall not exceed—

“(A) \$250,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$500,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$25,000 in the case of taxable years beginning after 2011.”, and

(2) by striking “exceeds” and all that follows in paragraph (2) and inserting “exceeds—

“(A) \$800,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$2,000,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$200,000 in the case of taxable years beginning after 2011.”.

(b) INCLUSION OF CERTAIN REAL PROPERTY.—Section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) SPECIAL RULES FOR QUALIFIED REAL PROPERTY.—

“(1) IN GENERAL.—If a taxpayer elects the application of this subsection for any taxable year beginning in 2010 or 2011, the term ‘section 179 property’ shall include any qualified real property which is—

“(A) of a character subject to an allowance for depreciation,

“(B) acquired by purchase for use in the active conduct of a trade or business, and

“(C) not described in the last sentence of subsection (d)(1).

“(2) QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term ‘qualified real property’ means—

“(A) qualified leasehold improvement property described in section 168(e)(6),

“(B) qualified restaurant property described in section 168(e)(7) (without regard to the dates specified in subparagraph (A)(i) thereof), and

“(C) qualified retail improvement property described in section 168(e)(8) (without regard to subparagraph (E) thereof).

“(3) LIMITATION.—For purposes of applying the limitation under subsection (b)(1)(B), not more than \$250,000 of the aggregate cost which is taken into account under subsection (a) for any taxable year may be attributable to qualified real property.

“(4) CARRYOVER LIMITATION.—

“(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B), no amount attributable to qualified real property may be carried over to a taxable year beginning after 2011.

“(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C), to the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A), this title shall be applied as if no election under this section had been made with respect to such amount.

“(C) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer’s last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer’s last taxable year beginning in 2011.

“(D) ALLOCATION OF AMOUNTS.—For purposes of applying this paragraph and subsection (b)(3)(B) to any taxable year, the amount which is disallowed under subsection (b)(3)(A) for such taxable year which is attributable to qualified real property shall be the amount which bears the same ratio to the total amount so disallowed as—

“(i) the aggregate amount attributable to qualified real property placed in service during such taxable year, increased by the portion of any amount carried over to such taxable year from a prior taxable year which is attributable to such property, bears to

“(ii) the total amount of section 179 property placed in service during such taxable year, increased by the aggregate amount carried over to such taxable year from any prior taxable year.

For purposes of the preceding sentence, only section 179 property with respect to which an election was made under subsection (c)(1) (determined without regard to subparagraph (B) of this paragraph) shall be taken into account.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

#### SEC. 2022. ADDITIONAL FIRST-YEAR DEPRECIATION FOR 50 PERCENT OF THE BASIS OF CERTAIN QUALIFIED PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(1) by striking “January 1, 2011” in subparagraph (A)(iv) and inserting “January 1, 2012”, and

(2) by striking “January 1, 2010” each place it appears and inserting “January 1, 2011”.

(b) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 of the Internal Revenue Code of 1986 is amended by striking “JANUARY 1, 2010” and inserting “JANUARY 1, 2011”.

(2) The heading for clause (ii) of section 168(k)(2)(B) of such Code is amended by striking “PRE-JANUARY 1, 2010” and inserting “PRE-JANUARY 1, 2011”.

(3) Subparagraph (D) of section 168(k)(4) of such Code is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting a comma, and by adding at the end the following new clauses:

“(iv) ‘January 1, 2011’ shall be substituted for ‘January 1, 2012’ in subparagraph (A)(iv) thereof, and

“(v) ‘January 1, 2010’ shall be substituted for ‘January 1, 2011’ each place it appears in subparagraph (A) thereof.”.

(4) Subparagraph (B) of section 168(l)(5) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(5) Subparagraph (C) of section 168(n)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(6) Subparagraph (D) of section 1400L(b)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(7) Subparagraph (B) of section 1400N(d)(3) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

#### PART III—PROMOTING ENTREPRENEURSHIP

#### SEC. 2031. INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES IN 2010.

(a) START-UP EXPENDITURES.—Subsection (b) of section 195 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE FOR TAXABLE YEARS BEGINNING IN 2010.—In the case of a taxable year beginning in 2010, paragraph (1)(A)(ii) shall be applied—

“(A) by substituting ‘\$10,000’ for ‘\$5,000’, and

“(B) by substituting ‘\$60,000’ for ‘\$50,000’.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2009.

#### SEC. 2032. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES TRADE REPRESENTATIVE TO DEVELOP MARKET ACCESS OPPORTUNITIES FOR UNITED STATES SMALL- AND MEDIUM-SIZED BUSINESSES AND TO ENFORCE TRADE AGREEMENTS.

(a) IN GENERAL.—There are authorized to be appropriated to the Office of the United States Trade Representative \$5,230,000, to remain available until expended, for—

(1) analyzing and developing opportunities for businesses in the United States to access the markets of foreign countries; and

(2) enforcing trade agreements to which the United States is a party.

(b) REQUIREMENTS.—In obligating and expending the funds authorized to be appropriated under subsection (a), the United States Trade Representative shall—

(1) give preference to those initiatives that the United States Trade Representative determines will create or sustain the greatest number of jobs in the United States or result in the greatest benefit to the economy of the United States; and

(2) consider the needs of small- and medium-sized businesses in the United States with respect to—

(A) accessing the markets of foreign countries; and

(B) the enforcement of trade agreements to which the United States is a party.

#### **PART IV—PROMOTING SMALL BUSINESS FAIRNESS**

##### **SEC. 2041. LIMITATION ON PENALTY FOR FAILURE TO DISCLOSE REPORTABLE TRANSACTIONS BASED ON RESULTING TAX BENEFITS.**

(a) IN GENERAL.—Subsection (b) of section 6707A of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) AMOUNT OF PENALTY.—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amount of the penalty under subsection (a) with respect to any reportable transaction shall be 75 percent of the decrease in tax shown on the return as a result of such transaction (or which would have resulted from such transaction if such transaction were respected for Federal tax purposes).

“(2) MAXIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any reportable transaction shall not exceed—

“(A) in the case of a listed transaction, \$200,000 (\$100,000 in the case of a natural person), or

“(B) in the case of any other reportable transaction, \$50,000 (\$10,000 in the case of a natural person).

“(3) MINIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any transaction shall not be less than \$10,000 (\$5,000 in the case of a natural person).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to penalties assessed after December 31, 2006.

##### **SEC. 2042. DEDUCTION FOR HEALTH INSURANCE COSTS IN COMPUTING SELF-EMPLOYMENT TAXES IN 2010.**

(a) IN GENERAL.—Paragraph (4) of section 162(l) of the Internal Revenue Code of 1986 is amended by inserting “for taxable years beginning before January 1, 2010, or after December 31, 2010” before the period.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

#### **Subtitle B—Revenue Provisions**

#### **PART I—REDUCING THE TAX GAP**

##### **SEC. 2101. INFORMATION REPORTING FOR RENTAL PROPERTY EXPENSE PAYMENTS.**

(a) IN GENERAL.—Section 6041 of the Internal Revenue Code of 1986, as amended by section 9006 of the Patient Protection and Affordable Care Act, is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

“(h) TREATMENT OF RENTAL PROPERTY EXPENSE PAYMENTS.—

“(1) IN GENERAL.—Solely for purposes of subsection (a) and except as provided in paragraph (2), a person receiving rental income from real estate shall be considered to be engaged in a trade or business of renting property.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply to—

“(A) any individual, including any individual who is an active member of the uniformed services or an employee of the intelligence community (as defined in section 121(d)(9)(C)(iv)), if substantially all rental in-

come is derived from renting the principal residence (within the meaning of section 121) of such individual on a temporary basis,

“(B) any individual who receives rental income of not more than the minimal amount, as determined under regulations prescribed by the Secretary, and

“(C) any other individual for whom the requirements of this section would cause hardship, as determined under regulations prescribed by the Secretary.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments made after December 31, 2010.

##### **SEC. 2102. INCREASE IN INFORMATION RETURN PENALTIES.**

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 of the Internal Revenue Code of 1986 are each amended by striking “\$50” and inserting “\$100”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 of such Code are each amended by striking “\$250,000” and inserting “\$1,500,000”.

(b) REDUCTION WHERE CORRECTION WITHIN 30 DAYS.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(1) of the Internal Revenue Code of 1986 is amended by striking “\$15” and inserting “\$30”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 of such Code are each amended by striking “\$75,000” and inserting “\$250,000”.

(c) REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(2) of the Internal Revenue Code of 1986 is amended by striking “\$30” and inserting “\$60”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(2)(B) and (d)(1)(C) of section 6721 of such Code are each amended by striking “\$150,000” and inserting “\$500,000”.

(d) AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

(1) IN GENERAL.—Paragraph (1) of section 6721(d) of the Internal Revenue Code of 1986 is amended—

(A) by striking “\$100,000” in subparagraph (A) and inserting “\$500,000”,

(B) by striking “\$25,000” in subparagraph (B) and inserting “\$75,000”, and

(C) by striking “\$50,000” in subparagraph (C) and inserting “\$200,000”.

(2) TECHNICAL AMENDMENT.—Paragraph (1) of section 6721(d) of such Code is amended by striking “such taxable year” and inserting “such calendar year”.

(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (2) of section 6721(e) of the Internal Revenue Code of 1986 is amended by striking “\$100” and inserting “\$250”.

(f) ADJUSTMENT FOR INFLATION.—Section 6721 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d) (other than paragraph (2)(A) thereof), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount

shall be rounded to the next lowest multiple of \$10.”

(g) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—Section 6722 of the Internal Revenue Code of 1986 is amended to read as follows:

##### **“SEC. 6722. FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.**

“(a) IMPOSITION OF PENALTY.—

“(1) GENERAL RULE.—In the case of each failure described in paragraph (2) by any person with respect to a payee statement, such person shall pay a penalty of \$100 for each statement with respect to which such a failure occurs, but the total amount imposed on such person for all such failures during any calendar year shall not exceed \$1,500,000.

“(2) FAILURES SUBJECT TO PENALTY.—For purposes of paragraph (1), the failures described in this paragraph are—

“(A) any failure to furnish a payee statement on or before the date prescribed therefor to the person to whom such statement is required to be furnished, and

“(B) any failure to include all of the information required to be shown on a payee statement or the inclusion of incorrect information.

“(b) REDUCTION WHERE CORRECTION IN SPECIFIED PERIOD.—

“(1) CORRECTION WITHIN 30 DAYS.—If any failure described in subsection (a)(2) is corrected on or before the day 30 days after the required filing date—

“(A) the penalty imposed by subsection (a) shall be \$30 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed \$250,000.

“(2) FAILURES CORRECTED ON OR BEFORE AUGUST 1.—If any failure described in subsection (a)(2) is corrected after the 30th day referred to in paragraph (1) but on or before August 1 of the calendar year in which the required filing date occurs—

“(A) the penalty imposed by subsection (a) shall be \$60 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during the calendar year which are so corrected shall not exceed \$500,000.

“(c) EXCEPTION FOR DE MINIMIS FAILURES.—

“(1) IN GENERAL.—If—

“(A) a payee statement is furnished to the person to whom such statement is required to be furnished,

“(B) there is a failure described in subsection (a)(2)(B) (determined after the application of section 6724(a)) with respect to such statement, and

“(C) such failure is corrected on or before August 1 of the calendar year in which the required filing date occurs,

for purposes of this section, such statement shall be treated as having been furnished with all of the correct required information.

“(2) LIMITATION.—The number of payee statements to which paragraph (1) applies for any calendar year shall not exceed the greater of—

“(A) 10, or

“(B) one-half of 1 percent of the total number of payee statements required to be filed by the person during the calendar year.

“(d) LOWER LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

“(1) IN GENERAL.—If any person meets the gross receipts test of paragraph (2) with respect to any calendar year, with respect to failures during such calendar year—

“(A) subsection (a)(1) shall be applied by substituting ‘\$500,000’ for ‘\$1,500,000’,

“(B) subsection (b)(1)(B) shall be applied by substituting ‘\$75,000’ for ‘\$250,000’, and

“(C) subsection (b)(2)(B) shall be applied by substituting ‘\$200,000’ for ‘\$500,000’.

“(2) GROSS RECEIPTS TEST.—A person meets the gross receipts test of this paragraph if such person meets the gross receipts test of section 6721(d)(2).

“(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—If 1 or more failures to which subsection (a) applies are due to intentional disregard of the requirement to furnish a payee statement (or the correct information reporting requirement), then, with respect to each such failure—

“(1) subsections (b), (c), and (d) shall not apply,

“(2) the penalty imposed under subsection (a)(1) shall be \$250, or, if greater—

“(A) in the case of a payee statement other than a statement required under section 6045(b), 6041A(e) (in respect of a return required under section 6041A(b)), 6050H(d), 6050J(e), 6050K(b), or 6050L(c), 10 percent of the aggregate amount of the items required to be reported correctly, or

“(B) in the case of a payee statement required under section 6045(b), 6050K(b), or 6050L(c), 5 percent of the aggregate amount of the items required to be reported correctly, and

“(3) in the case of any penalty determined under paragraph (2)—

“(A) the \$1,500,000 limitation under subsection (a) shall not apply, and

“(B) such penalty shall not be taken into account in applying such limitation to penalties not determined under paragraph (2).

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d)(1), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”

(h) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2011.

#### SEC. 2103. REPORT ON TAX SHELTER PENALTIES AND CERTAIN OTHER ENFORCEMENT ACTIONS.

(a) IN GENERAL.—The Commissioner of Internal Revenue, in consultation with the Secretary of the Treasury, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on the penalties assessed by the Internal Revenue Service during the preceding year under each of the following provisions of the Internal Revenue Code of 1986:

(1) Section 6662A (relating to accuracy-related penalty on understatements with respect to reportable transactions).

(2) Section 6700(a) (relating to promoting abusive tax shelters).

(3) Section 6707 (relating to failure to furnish information regarding reportable transactions).

(4) Section 6707A (relating to failure to include reportable transaction information with return).

(5) Section 6708 (relating to failure to maintain lists of advisees with respect to reportable transactions).

(b) ADDITIONAL INFORMATION.—The report required under subsection (a) shall also in-

clude information on the following with respect to each year:

(1) Any action taken under section 330(b) of title 31, United States Code, with respect to any reportable transaction (as defined in section 6707A(c) of the Internal Revenue Code of 1986).

(2) Any extension of the time for assessment of tax enforced, or assessment of any amount under such an extension, under paragraph (10) of section 6501(c) of the Internal Revenue Code of 1986.

(c) DATE OF REPORT.—The first report required under subsection (a) shall be submitted not later than December 31, 2010.

#### SEC. 2104. APPLICATION OF LEVY TO PAYMENTS TO FEDERAL VENDORS RELATING TO PROPERTY.

(a) IN GENERAL.—Section 6331(h)(3) of the Internal Revenue Code of 1986 is amended by striking “goods or services” and inserting “property, goods, or services”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to levies issued after the date of the enactment of this Act.

#### SEC. 2105. APPLICATION OF CONTINUOUS LEVY TO TAX LIABILITIES OF CERTAIN FEDERAL CONTRACTORS.

(a) IN GENERAL.—Subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “or” at the end of paragraph (2), by inserting “or” at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

“(4) the Secretary has served a Federal contractor levy.”

(b) FEDERAL CONTRACTOR LEVY.—Subsection (h) of section 6330 of the Internal Revenue Code of 1986 is amended—

(1) by striking all that precedes “any levy in connection with the collection” and inserting the following:

“(h) DEFINITIONS RELATED TO EXCEPTIONS.—For purposes of subsection (f)—

“(1) DISQUALIFIED EMPLOYMENT TAX LEVY.—A disqualified employment tax levy is”; and

(2) by adding at the end the following new paragraph:

“(2) FEDERAL CONTRACTOR LEVY.—A Federal contractor levy is any levy if the person whose property is subject to the levy (or any predecessor thereof) is a Federal contractor.”

(c) CONFORMING AMENDMENT.—The heading of subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “JEOPARDY AND STATE REFUND COLLECTION” and inserting “EXCEPTIONS”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued after the date of the enactment of this Act.

#### SEC. 2106. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 of the Internal Revenue Code of 1986 is amended—

(1) by striking “If any check or money order in payment of any amount” and inserting “If any instrument in payment, by any commercially acceptable means, of any amount”; and

(2) by striking “such check” each place it appears and inserting “such instrument”.

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

#### PART II—PROMOTING RETIREMENT PREPARATION

#### SEC. 2111. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(e)(1) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph

(A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means—

“(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

“(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

#### SEC. 2112. ROLLOVERS FROM ELECTIVE DEFERRAL PLANS TO DESIGNATED ROTH ACCOUNTS.

(a) IN GENERAL.—Section 402A(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) TAXABLE ROLLOVERS TO DESIGNATED ROTH ACCOUNTS.—

“(A) IN GENERAL.—Notwithstanding sections 402(c), 403(b)(8), and 457(e)(16), in the case of any distribution to which this paragraph applies—

“(i) there shall be included in gross income any amount which would be includible were it not part of a qualified rollover contribution,

“(ii) section 72(t) shall not apply, and

“(iii) unless the taxpayer elects not to have this clause apply, any amount required to be included in gross income for any taxable year beginning in 2010 by reason of this paragraph shall be so included ratably over the 2-taxable-year period beginning with the first taxable year beginning in 2011.

Any election under clause (iii) for any distributions during a taxable year may not be changed after the due date for such taxable year.

“(B) DISTRIBUTIONS TO WHICH PARAGRAPH APPLIES.—In the case of an applicable retirement plan which includes a qualified Roth contribution program, this paragraph shall apply to a distribution from such plan other than from a designated Roth account which is contributed in a qualified rollover contribution (within the meaning of section 408A(e)) to the designated Roth account maintained under such plan for the benefit of the individual to whom the distribution is made.

“(C) COORDINATION WITH LIMIT.—Any distribution to which this paragraph applies shall not be taken into account for purposes of paragraph (1).

“(D) OTHER RULES.—The rules of subparagraphs (D), (E), and (F) of section 408A(d)(3) (as in effect for taxable years beginning after 2009) shall apply for purposes of this paragraph.”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after the date of the enactment of this Act.

#### PART III—CLOSING UNINTENDED LOOPHOLES

#### SEC. 2121. CRUDE TALL OIL INELIGIBLE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.

(a) IN GENERAL.—Clause (iii) of section 40(b)(6)(E) of the Internal Revenue Code of 1986, as added by the Health Care and Education Reconciliation Act of 2010, is amended—

(1) by striking “or” at the end of subclause (I),

(2) by striking the period at the end of subclause (II) and inserting “, or”,

(3) by adding at the end the following new subclause:

“(III) such fuel has an acid number greater than 25.”, and

(4) by striking “UNPROCESSED” in the heading and inserting “CERTAIN”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels sold or used on or after January 1, 2010.

#### **PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES**

##### **SEC. 2131. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.**

The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 36 percentage points.

#### **TITLE III—SMALL BUSINESS LENDING**

##### **Subtitle A—Small Business Lending Fund**

##### **SEC. 3101. PURPOSE.**

The purpose of this subtitle is to address the ongoing effects of the financial crisis on small businesses by providing temporary authority to the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses.

##### **SEC. 3102. DEFINITIONS.**

For purposes of this subtitle:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) APPROPRIATE FEDERAL BANKING AGENCY.—The term “appropriate Federal banking agency” has the meaning given such term under section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

(3) BANK HOLDING COMPANY.—The term “bank holding company” has the meaning given such term under section 2(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1814(2)(a)(1)).

(4) CALL REPORT.—The term “call report” means—

(A) reports of Condition and Income submitted to the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation;

(B) the Office of Thrift Supervision Thrift Financial Report;

(C) any report that is designated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Office of Thrift Supervision, as applicable, as a successor to any report referred to in subparagraph (A) or (B);

(D) reports of Condition and Income as designated through guidance developed by the Secretary, in consultation with the Director of the Community Development Financial Institutions Fund; and

(E) with respect to an eligible institution for which no report exists that is described under subparagraph (A), (B), (C), or (D), such other report or set of information as the Secretary, in consultation with the Administrator of the Small Business Administration, may prescribe.

(5) CDCI.—The term “CDCI” means the Community Development Capital Initiative created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(6) CDCI INVESTMENT.—The term “CDCI investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CDCI that has not been repaid.

(7) CDFI; COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The terms “CDFI” and “community development financial institution” have the meaning given the term “community development financial institution” under the Riegle Community Development and Regulatory Improvement Act of 1994.

(8) CDLF; COMMUNITY DEVELOPMENT LOAN FUND.—The terms “CDLF” and “community development loan fund” mean any entity that—

(A) is certified by the Department of the Treasury as a community development financial institution loan fund;

(B) is exempt from taxation under the Internal Revenue Code of 1986; and

(C) had assets less than or equal to \$10,000,000,000 as of the end of the fourth quarter of calendar year 2009.

(9) CPP.—The term “CPP” means the Capital Purchase Program created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(10) CPP INVESTMENT.—The term “CPP investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CPP that has not been repaid.

(11) ELIGIBLE INSTITUTION.—The term “eligible institution” means—

(A) any insured depository institution, which—

(i) is not controlled by a bank holding company or savings and loan holding company that is also an eligible institution;

(ii) has total assets of equal to or less than \$10,000,000,000, as reported in the call report of the insured depository institution as of the end of the fourth quarter of calendar year 2009; and

(iii) is not directly or indirectly controlled by any company or other entity that has total consolidated assets of more than \$10,000,000,000, as so reported;

(B) any bank holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the bank holding company as of the end of the fourth quarter of calendar year 2009;

(C) any savings and loan holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the savings and loan holding company as of the end of the fourth quarter of calendar year 2009; and

(D) any community development financial institution loan fund which has total assets of equal to or less than \$10,000,000,000, as reported in audited financial statements for the fiscal year of the community development financial institution loan fund that ends in calendar year 2009.

(12) FUND.—The term “Fund” means the Small Business Lending Fund established under section 3103(a)(1).

(13) INSURED DEPOSITORY INSTITUTION.—The term “insured depository institution” has the meaning given such term under section 3(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)(2)).

(14) MINORITY-OWNED AND WOMEN-OWNED BUSINESS.—The terms “minority-owned busi-

ness” and “women-owned business” shall have the meaning given the terms “minority-owned business” and “women’s business”, respectively, under section 21A(r)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441A(r)(4)).

(15) PROGRAM.—The term “Program” means the Small Business Lending Fund Program authorized under section 3103(a)(2).

(16) SAVINGS AND LOAN HOLDING COMPANY.—The term “savings and loan holding company” has the meaning given such term under section 10(a)(1)(D) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(1)(D)).

(17) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(18) SMALL BUSINESS LENDING.—

(A) IN GENERAL.—The term “small business lending” means lending, as defined by and reported in an eligible institutions’ quarterly call report, where each loan comprising such lending is one of the following types:

(i) Commercial and industrial loans.

(ii) Owner-occupied nonfarm, nonresidential real estate loans.

(iii) Loans to finance agricultural production and other loans to farmers.

(iv) Loans secured by farmland.

(B) EXCLUSION.—No loan that has an original amount greater than \$10,000,000 or that goes to a business with more than \$50,000,000 in revenues shall be included in the measure.

(C) TREATMENT OF HOLDING COMPANIES.—In the case of eligible institutions that are bank holding companies or savings and loan holding companies having one or more insured depository institution subsidiaries, small business lending shall be measured based on the combined small business lending reported in the call report of the insured depository institution subsidiaries.

(19) VETERAN-OWNED BUSINESS.—

(A) The term “veteran-owned business” means a business—

(i) more than 50 percent of the ownership or control of which is held by 1 or more veterans;

(ii) more than 50 percent of the net profit or loss of which accrues to 1 or more veterans; and

(iii) a significant percentage of senior management positions of which are held by veterans.

(B) For purposes of this paragraph, the term “veteran” has the meaning given such term in section 101(2) of title 38, United States Code.

##### **SEC. 3103. SMALL BUSINESS LENDING FUND.**

(a) FUND AND PROGRAM.—

(1) FUND ESTABLISHED.—There is established in the Treasury of the United States a fund to be known as the “Small Business Lending Fund”, which shall be administered by the Secretary.

(2) PROGRAMS AUTHORIZED.—The Secretary is authorized to establish the Small Business Lending Fund Program for using the Fund consistent with this subtitle.

(b) USE OF FUND.—

(1) IN GENERAL.—Subject to paragraph (2), the Fund shall be available to the Secretary, without further appropriation or fiscal year limitation, for the costs of purchases (including commitments to purchase), and modifications of such purchases, of preferred stock and other financial instruments from eligible institutions on such terms and conditions as are determined by the Secretary in accordance with this subtitle. For purposes of this paragraph and with respect to an eligible institution, the term “other financial instruments” shall include only debt instruments for which such eligible institution is fully liable or equity equivalent capital of the eligible institution. Such debt instruments may be subordinated to the claims of other creditors of the eligible institution.

(2) **MAXIMUM PURCHASE LIMIT.**—The aggregate amount of purchases (and commitments to purchase) made pursuant to paragraph (1) may not exceed \$30,000,000,000.

(3) **PROCEEDS USED TO PAY DOWN PUBLIC DEBT.**—All funds received by the Secretary in connection with purchases made pursuant to paragraph (1), including interest payments, dividend payments, and proceeds from the sale of any financial instrument, shall be paid into the general fund of the Treasury for reduction of the public debt.

(4) **LIMITATION ON PURCHASES FROM CDLFS.**—

(A) **IN GENERAL.**—Not more than 1 percent of the maximum purchase limit of the Program, pursuant to paragraph (2), may be used to make purchases from community development loan funds.

(B) **ELIGIBILITY STANDARDS.**—The Secretary, in consultation with the Community Development Financial Institutions Fund, shall develop eligibility criteria to determine the financial ability of a CDLF to participate in the Program and repay the investment. Such criteria shall include the following:

(i) Ratio of net assets to total assets is at least 20 percent.

(ii) Ratio of loan loss reserves to loans and leases 90 days or more delinquent (including loans sold with full recourse) is at least 30 percent.

(iii) Positive net income measured on a 3-year rolling average.

(iv) Operating liquidity ratio of at least 1.0 for the 4 most recent quarters and for one or both of the two preceding years.

(v) Ratio of loans and leases 90 days or more delinquent (including loans sold with full recourse) to total equity plus loan loss reserves is less than 40 percent.

(C) **REQUIREMENT TO SUBMIT AUDITED FINANCIAL STATEMENTS.**—CDLFs participating in the Program shall submit audited financial statements to the Secretary, have a clean audit opinion, and have at least 3 years of operating experience.

(C) **CREDITS TO THE FUND.**—There shall be credited to the Fund amounts made available pursuant to section 3108, to the extent provided by appropriations Acts.

(d) **TERMS.**—

(1) **APPLICATION.**—

(A) **INSTITUTIONS WITH ASSETS OF \$1,000,000,000 OR LESS.**—Eligible institutions having total assets equal to or less than \$1,000,000,000, as reported in a call report as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(B) **INSTITUTIONS WITH ASSETS OF MORE THAN \$1,000,000,000 AND LESS THAN OR EQUAL TO \$10,000,000,000.**—Eligible institutions having total assets of more than \$1,000,000,000 but less than \$10,000,000,000, as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 3 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(C) **TREATMENT OF HOLDING COMPANIES.**—In the case of an eligible institution that is a bank holding company or a savings and loan holding company having one or more insured depository institution subsidiaries, total assets shall be measured based on the combined total assets reported in the call report of the insured depository institution subsidiaries as of the end of the fourth quarter of calendar year 2009 and risk-weighted assets shall be measured based on the combined risk-weighted assets of the insured depository

institution subsidiaries as reported in the call report immediately preceding the date of application.

(D) **TREATMENT OF APPLICANTS THAT ARE INSTITUTIONS CONTROLLED BY HOLDING COMPANIES.**—If an eligible institution that applies to receive a capital investment under the Program is under the control of a bank holding company or a savings and loan holding company, then the Secretary may use the Fund to purchase preferred stock or other financial instruments from the top-tier bank holding company or savings and loan holding company of such eligible institution, as applicable. For purposes of this subparagraph, the term “control” with respect to a bank holding company shall have the same meaning as in section 2(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(2)). For purposes of this subparagraph, the term “control” with respect to a savings and loan holding company shall have the same meaning as in 10(a)(2) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(2)).

(E) **REQUIREMENT TO PROVIDE A SMALL BUSINESS LENDING PLAN.**—At the time that an applicant submits an application to the Secretary for a capital investment under the Program, the applicant shall deliver to the appropriate Federal banking agency, and, for applicants that are State-chartered banks, to the appropriate State banking regulator, a small business lending plan describing how the applicant’s business strategy and operating goals will allow it to address the needs of small businesses in the areas it serves, as well as a plan to provide linguistically and culturally appropriate outreach, where appropriate. In the case of eligible institutions that are community development loan funds, this plan shall be submitted to the Secretary. This plan shall be confidential supervisory information.

(F) **TREATMENT OF APPLICANTS THAT ARE COMMUNITY DEVELOPMENT LOAN FUNDS.**—Eligible institutions that are community development loan funds may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of total assets, as reported in the audited financial statements for the fiscal year of the eligible institution that ends in calendar year 2009.

(2) **CONSULTATION WITH REGULATORS.**—For each eligible institution that applies to receive a capital investment under the Program, the Secretary shall—

(A) consult with the appropriate Federal banking agency or, in the case of an eligible institution that is a non-depository community development financial institution, the Community Development Financial Institution Fund, for the eligible institution to determine whether the eligible institution may receive such capital investment;

(B) in the case of an eligible institution that is a State-chartered bank, consider any views received from the State banking regulator of the State of the eligible institution regarding the financial condition of the eligible institution; and

(C) in the case of a community development financial institution loan fund, consult with the Community Development Financial Institution Fund.

(3) **INELIGIBILITY OF INSTITUTIONS ON FDIC PROBLEM BANK LIST.**—

(A) **IN GENERAL.**—An eligible institution may not receive any capital investment under the Program if—

(i) such institution is on the FDIC problem bank list; or

(ii) such institution has been removed from the FDIC problem bank list for less than 90 days.

(B) **CONSTRUCTION.**—Nothing in subparagraph (A) shall be construed as limiting the discretion of the Secretary to deny the appli-

cation of an eligible institution that is not on the FDIC problem bank list.

(C) **FDIC PROBLEM BANK LIST DEFINED.**—For purposes of this subparagraph, the term “FDIC problem bank list” means the list of institutions with a current rating of 4 or 5 under the Uniform Financial Institutions Rating System, or such other list designated by the Federal Deposit Insurance Corporation.

(4) **INCENTIVES TO LEND.**—

(A) **REQUIREMENTS ON PREFERRED STOCK AND OTHER FINANCIAL INSTRUMENTS.**—Any preferred stock or other financial instrument issued to Treasury by an eligible institution receiving a capital investment under the Program shall provide that—

(i) the rate at which dividends or interest are payable shall be 5 percent per annum initially;

(ii) within the first 2 years after the date of the capital investment under the Program, the rate may be adjusted based on the amount of an eligible institution’s small business lending. Changes in the amount of small business lending shall be measured against the average amount of small business lending reported by the eligible institution in its call reports for the 4 full quarters immediately preceding the date of enactment of this Act, minus adjustments from each quarterly balance in respect of—

(I) net loan charge offs with respect to small business lending; and

(II) gains realized by the eligible institution resulting from mergers, acquisitions or purchases of loans after origination and syndication; which adjustments shall be determined in accordance with guidance promulgated by the Secretary; and

(iii) during any calendar quarter during the initial 2-year period referred to in clause (ii), an institution’s rate shall be adjusted to reflect the following schedule, based on that institution’s change in the amount of small business lending relative to the baseline—

(I) if the amount of small business lending has increased by less than 2.5 percent, the dividend or interest rate shall be 5 percent;

(II) if the amount of small business lending has increased by 2.5 percent or greater, but by less than 5.0 percent, the dividend or interest rate shall be 4 percent;

(III) if the amount of small business lending has increased by 5.0 percent or greater, but by less than 7.5 percent, the dividend or interest rate shall be 3 percent;

(IV) if the amount of small business lending has increased by 7.5 percent or greater, and but by less than 10.0 percent, the dividend or interest rate shall be 2 percent; or

(V) if the amount of small business lending has increased by 10 percent or greater, the dividend or interest rate shall be 1 percent.

(B) **BASIS OF INITIAL RATE.**—The initial dividend or interest rate shall be based on call report data published in the quarter immediately preceding the date of the capital investment under the Program.

(C) **TIMING OF RATE ADJUSTMENTS.**—Any rate adjustment shall occur in the calendar quarter following the publication of call report data, such that the rate based on call report data from any one calendar quarter, which is published in the first following calendar quarter, shall be adjusted in that first following calendar quarter and payable in the second following quarter.

(D) **RATE FOLLOWING INITIAL 2-YEAR PERIOD.**—Generally, the rate based on call report data from the eighth calendar quarter after the date of the capital investment under the Program shall be payable until the expiration of the 4½-year period that begins on the date of the investment. In the case where the amount of small business lending has remained the same or decreased relative to the institution’s baseline in the eighth



quarter after the date of the capital investment under the Program, the rate shall be 7 percent until the expiration of the 4½-year period that begins on the date of the investment.

(E) **RATE FOLLOWING INITIAL 4½-YEAR PERIOD.**—The dividend or interest rate paid on any preferred stock or other financial instrument issued by an eligible institution that receives a capital investment under the Program shall increase to 9 percent at the end of the 4½-year period that begins on the date of the capital investment under the Program.

(F) **LIMITATION ON RATE REDUCTIONS WITH RESPECT TO CERTAIN AMOUNT.**—The reduction in the dividend or interest rate payable to Treasury by any eligible institution shall be limited such that the rate reduction shall not apply to a dollar amount of the investment made by Treasury that is greater than the dollar amount increase in the amount of small business lending realized under this program. The Secretary may issue guidelines that will apply to new capital investments limiting the amount of capital available to eligible institutions consistent with this limitation.

(G) **RATE ADJUSTMENTS FOR S CORPORATION.**—Before making a capital investment in an eligible institution that is an S corporation or a corporation organized on a mutual basis, the Secretary may adjust the dividend or interest rate on the financial instrument to be issued to the Secretary, from the dividend or interest rate that would apply under subparagraphs (A) through (F), to take into account any differential tax treatment of securities issued by such eligible institution. For purpose of this subparagraph, the term “S corporation” has the same meaning as in section 1361(a) of the Internal Revenue Code of 1986.

(H) **REPAYMENT DEADLINE.**—The capital investment received by an eligible institution under the Program shall be evidenced by preferred stock or other financial instrument that—

(i) includes, as a term and condition, that the capital investment will—

(I) be repaid not later than the end of the 10-year period beginning on the date of the capital investment under the Program; or

(II) at the end of such 10-year period, be subject to such additional terms as the Secretary shall prescribe, which shall include a requirement that the stock or instrument shall carry the highest dividend or interest rate payable; and

(ii) provides that the term and condition described under clause (i) shall not apply if the application of that term and condition would adversely affect the capital treatment of the stock or financial instrument under current or successor applicable capital provisions compared to a capital instrument with identical terms other than the term and condition described under clause (i).

(I) **REQUIREMENTS ON FINANCIAL INSTRUMENTS ISSUED BY A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND.**—Any equity equivalent capital issued to the Treasury by a community development loan fund receiving a capital investment under the Program shall provide that the rate at which interest is payable shall be 2 percent per annum for 8 years. After 8 years, the rate at which interest is payable shall be 9 percent.

(5) **ADDITIONAL INCENTIVES TO REPAY.**—The Secretary may, by regulation or guidance issued under section 3104(9), establish repayment incentives in addition to the incentive in paragraph (4)(E) that will apply to new capital investments in a manner that the Secretary determines to be consistent with the purposes of this subtitle.

(6) **CAPITAL PURCHASE PROGRAM REFINANCE.**—

(A) **IN GENERAL.**—The Secretary shall, in a manner that the Secretary determines to be consistent with the purposes of this subtitle, issue regulations and other guidance to permit eligible institutions to refinance securities issued to Treasury under the CDCI and the CPP for securities to be issued under the Program.

(B) **PROHIBITION ON PARTICIPATION BY NON-PAYING CPP PARTICIPANTS.**—Subparagraph (A) shall not apply to any eligible institution that has missed more than one dividend payment due under the CPP. For purposes of this subparagraph, a CPP dividend payment that is submitted within 60 days of the due date of such payment shall not be considered a missed dividend payment.

(7) **OUTREACH TO MINORITIES, WOMEN, AND VETERANS.**—The Secretary shall require eligible institutions receiving capital investments under the Program to provide linguistically and culturally appropriate outreach and advertising in the applicant pool describing the availability and application process of receiving loans from the eligible institution that are made possible by the Program through the use of print, radio, television or electronic media outlets which target organizations, trade associations, and individuals that—

(A) represent or work within or are members of minority communities;

(B) represent or work with or are women; and

(C) represent or work with or are veterans.

(8) **ADDITIONAL TERMS.**—The Secretary may, by regulation or guidance issued under section 3104(9), make modifications that will apply to new capital investments in order to manage risks associated with the administration of the Fund in a manner consistent with the purposes of this subtitle.

(9) **MINIMUM UNDERWRITING STANDARDS.**—The appropriate Federal banking agency for an eligible institution that receives funds under the Program shall within 60 days issue guidance regarding prudent underwriting standards that must be used for loans made by the eligible institution using such funds..

#### **SEC. 3104. ADDITIONAL AUTHORITIES OF THE SECRETARY.**

The Secretary may take such actions as the Secretary deems necessary to carry out the authorities in this subtitle, including, without limitation, the following:

(1) The Secretary may use the services of any agency or instrumentality of the United States or component thereof on a reimbursable basis, and any such agency or instrumentality or component thereof is authorized to provide services as requested by the Secretary using all authorities vested in or delegated to that agency, instrumentality, or component.

(2) The Secretary may enter into contracts, including contracts for services authorized by section 3109 of title 5, United States Code.

(3) The Secretary may designate any bank, savings association, trust company, security broker or dealer, asset manager, or investment adviser as a financial agent of the Federal Government and such institution shall perform all such reasonable duties related to this subtitle as financial agent of the Federal Government as may be required. The Secretary shall have authority to amend existing agreements with financial agents, entered into during the 2-year period before the date of enactment of this Act, to perform reasonable duties related to this subtitle.

(4) The Secretary may exercise any rights received in connection with any preferred stock or other financial instruments or assets purchased or acquired pursuant to the authorities granted under this subtitle.

(5) Subject to section 3103(b)(3), the Secretary may manage any assets purchased

under this subtitle, including revenues and portfolio risks therefrom.

(6) The Secretary may sell, dispose of, transfer, exchange or enter into securities loans, repurchase transactions, or other financial transactions in regard to, any preferred stock or other financial instrument or asset purchased or acquired under this subtitle, upon terms and conditions and at a price determined by the Secretary.

(7) The Secretary may manage or prohibit conflicts of interest that may arise in connection with the administration and execution of the authorities provided under this subtitle.

(8) The Secretary may establish and use vehicles, subject to supervision by the Secretary, to purchase, hold, and sell preferred stock or other financial instruments and issue obligations.

(9) The Secretary may, in consultation with the Administrator of the Small Business Administration, issue such regulations and other guidance as may be necessary or appropriate to define terms or carry out the authorities or purposes of this subtitle.

#### **SEC. 3105. CONSIDERATIONS.**

In exercising the authorities granted in this subtitle, the Secretary shall take into consideration—

(1) increasing the availability of credit for small businesses;

(2) providing funding to minority-owned eligible institutions and other eligible institutions that serve small businesses that are minority-, veteran-, and women-owned and that also serve low- and moderate-income, minority, and other underserved or rural communities;

(3) protecting and increasing American jobs;

(4) increasing the opportunity for small business development in areas with high unemployment rates that exceed the national average;

(5) ensuring that all eligible institutions may apply to participate in the program established under this subtitle, without discrimination based on geography;

(6) providing transparency with respect to use of funds provided under this subtitle;

(7) minimizing the cost to taxpayers of exercising the authorities;

(8) promoting and engaging in financial education to would-be borrowers; and

(9) providing funding to eligible institutions that serve small businesses directly affected by the discharge of oil arising from the explosion on and sinking of the mobile offshore drilling unit Deepwater Horizon and small businesses in communities that have suffered negative economic effects as a result of that discharge with particular consideration to States along the coast of the Gulf of Mexico.

#### **SEC. 3106. REPORTS.**

The Secretary shall provide to the appropriate committees of Congress—

(1) within 7 days of the end of each month commencing with the first month in which transactions are made under the Program, a written report describing all of the transactions made during the reporting period pursuant to the authorities granted under this subtitle;

(2) after the end of March and the end of September, commencing September 30, 2010, a written report on all projected costs and liabilities, all operating expenses, including compensation for financial agents, and all transactions made by the Fund, which shall include participating institutions and amounts each institution has received under the Program; and

(3) within 7 days of the end of each calendar quarter commencing with the first calendar quarter in which transactions are

made under the Program, a written report detailing how eligible institutions participating in the Program have used the funds such institutions received under the Program.

#### SEC. 3107. OVERSIGHT AND AUDITS.

(a) **INSPECTOR GENERAL OVERSIGHT.**—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the Program through the Office of Small Business Lending Fund Program Oversight established under subsection (b).

(b) **OFFICE OF SMALL BUSINESS LENDING FUND PROGRAM OVERSIGHT.**—

(1) **ESTABLISHMENT.**—There is hereby established within the Office of the Inspector General of the Department of the Treasury a new office to be named the “Office of Small Business Lending Fund Program Oversight” to provide oversight of the Program.

(2) **LEADERSHIP.**—The Inspector General shall appoint a Special Deputy Inspector General for SBLF Program Oversight to lead the Office, with commensurate staff, who shall report directly to the Inspector General and who shall be responsible for the performance of all auditing and investigative activities relating to the Program.

(3) **REPORTING.**—

(A) **IN GENERAL.**—The Inspector General shall issue a report no less than two times a year to the Congress and the Secretary devoted to the oversight provided by the Office, including any recommendations for improvements to the Program.

(B) **RECOMMENDATIONS.**—With respect to any deficiencies identified in a report under subparagraph (A), the Secretary shall either—

(i) take actions to address such deficiencies; or

(ii) certify to the appropriate committees of Congress that no action is necessary or appropriate.

(4) **COORDINATION.**—The Inspector General, in maximizing the effectiveness of the Office, shall work with other Offices of Inspector General, as appropriate, to minimize duplication of effort and ensure comprehensive oversight of the Program.

(5) **TERMINATION.**—The Office shall terminate at the end of the 6-month period beginning on the date on which all capital investments are repaid under the Program or the date on which the Secretary determines that any remaining capital investments will not be repaid.

(6) **DEFINITIONS.**—For purposes of this subsection:

(A) **OFFICE.**—The term “Office” means the Office of Small Business Lending Fund Program Oversight established under paragraph (1).

(B) **INSPECTOR GENERAL.**—The term “Inspector General” means the Inspector General of the Department of the Treasury.

(C) **GAO AUDIT.**—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(d) **REQUIRED CERTIFICATIONS.**—

(1) **ELIGIBLE INSTITUTION CERTIFICATION.**—Each eligible institution that participates in the Program must certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in 31 U.S.C. 5312(a)(2) and (c)(1)(A), to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the

person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) **LOAN RECIPIENTS.**—With respect to funds received by an eligible institution under the Program, any business receiving a loan from the eligible institution using such funds after the date of the enactment of this Act shall certify to such eligible institution that the principals of such business have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(e) **PROHIBITION ON PORNOGRAPHY.**—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

#### SEC. 3108. CREDIT REFORM; FUNDING.

(a) **CREDIT REFORM.**—The cost of purchases of preferred stock and other financial instruments made as capital investments under this subtitle shall be determined as provided under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(b) **FUNDS MADE AVAILABLE.**—There are hereby appropriated, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary to pay the costs of \$30,000,000,000 of capital investments in eligible institutions, including the costs of modifying such investments, and reasonable costs of administering the program of making, holding, managing, and selling the capital investments.

#### SEC. 3109. TERMINATION AND CONTINUATION OF AUTHORITIES.

(a) **TERMINATION OF INVESTMENT AUTHORITY.**—The authority to make capital investments in eligible institutions, including commitments to purchase preferred stock or other instruments, provided under this subtitle shall terminate 1 year after the date of enactment of this Act.

(b) **CONTINUATION OF OTHER AUTHORITIES.**—The authorities of the Secretary under section 3104 shall not be limited by the termination date in subsection (a).

#### SEC. 3110. PRESERVATION OF AUTHORITY.

Nothing in this subtitle may be construed to limit the authority of the Secretary under any other provision of law.

#### SEC. 3111. ASSURANCES.

(a) **SMALL BUSINESS LENDING FUND SEPARATE FROM TARP.**—The Small Business Lending Fund Program is established as separate and distinct from the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008. An institution shall not, by virtue of a capital investment under the Small Business Lending Fund Program, be considered a recipient of the Troubled Asset Relief Program.

(b) **CHANGE IN LAW.**—If, after a capital investment has been made in an eligible institution under the Program, there is a change in law that modifies the terms of the investment or program in a materially adverse respect for the eligible institution, the eligible institution may, after consultation with the appropriate Federal banking agency for the eligible institution, repay the investment without impediment.

#### SEC. 3112. STUDY AND REPORT WITH RESPECT TO WOMEN-OWNED, VETERAN-OWNED, AND MINORITY-OWNED BUSINESSES.

(a) **STUDY.**—The Secretary shall conduct a study of the impact of the Program on

women-owned businesses, veteran-owned businesses, and minority-owned businesses.

(b) **REPORT.**—Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted pursuant to subsection (a). To the extent possible, the Secretary shall disaggregate the results of such study by ethnic group and gender.

(c) **INFORMATION PROVIDED TO THE SECRETARY.**—Eligible institutions that participate in the Program shall provide the Secretary with such information as the Secretary may require to carry out the study required by this section.

#### SEC. 3113. SENSE OF CONGRESS.

It is the sense of Congress that the Federal Deposit Insurance Corporation and other bank regulators are sending mixed messages to banks regarding regulatory capital requirements and lending standards, which is a contributing cause of decreased small business lending and increased regulatory uncertainty at community banks.

#### Subtitle B—State Small Business Credit Initiative

#### SEC. 3201. SHORT TITLE.

This subtitle may be cited as the “State Small Business Credit Initiative Act of 2010”.

#### SEC. 3202. DEFINITIONS.

In this subtitle, the following definitions shall apply:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term “appropriate Federal banking agency” means—

(A) has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)); and

(B) includes the National Credit Union Administration Board in the case of any credit union the deposits of which are insured in accordance with the Federal Credit Union Act.

(3) **ENROLLED LOAN.**—The term “enrolled loan” means a loan made by a financial institution lender that is enrolled by a participating State in an approved State capital access program in accordance with this subtitle.

(4) **FEDERAL CONTRIBUTION.**—The term “Federal contribution” means the portion of the contribution made by a participating State to, or for the account of, an approved State program that is made with Federal funds allocated to the State by the Secretary under section 3203.

(5) **FINANCIAL INSTITUTION.**—The term “financial institution” means any insured depository institution, insured credit union, or community development financial institution, as those terms are each defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702).

(6) **PARTICIPATING STATE.**—The term “participating State” means any State that has been approved for participation in the Program under section 3204.

(7) **PROGRAM.**—The term “Program” means the State Small Business Credit Initiative established under this subtitle.

(8) **QUALIFYING LOAN OR SWAP FUNDING FACILITY.**—The term “qualifying loan or swap funding facility” means a contractual arrangement between a participating State and a private financial entity under which—

(A) the participating State delivers funds to the entity as collateral;

(B) the entity provides funding from the arrangement back to the participating State; and

(C) the full amount of resulting funding from the arrangement, less any fees and other costs of the arrangement, is contributed to, or for the account of, an approved State program.

(9) **RESERVE FUND.**—The term “reserve fund” means a fund, established by a participating State, dedicated to a particular financial institution lender, for the purposes of—

(A) depositing all required premium charges paid by the financial institution lender and by each borrower receiving a loan under an approved State program from that financial institution lender;

(B) depositing contributions made by the participating State, including State contributions made with Federal contributions; and

(C) covering losses on enrolled loans by disbursing accumulated funds.

(10) **STATE.**—The term “State” means—

(A) a State of the United States;

(B) the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of Northern Mariana Islands, Guam, American Samoa, and the United States Virgin Islands;

(C) when designated by a State of the United States, a political subdivision of that State that the Secretary determines has the capacity to participate in the Program; and

(D) under the circumstances described in section 3204(d), a municipality of a State of the United States to which the Secretary has given a special permission under section 3204(d).

(11) **STATE CAPITAL ACCESS PROGRAM.**—The term “State capital access program” means a program of a State that—

(A) uses public resources to promote private access to credit; and

(B) meets the eligibility criteria in section 3205(c).

(12) **STATE OTHER CREDIT SUPPORT PROGRAM.**—The term “State other credit support program” means—

(A) means a program of a State that—

(i) uses public resources to promote private access to credit;

(ii) is not a State capital access program; and

(iii) meets the eligibility criteria in section 3206(c); and

(B) includes, collateral support programs, loan participation programs, State-run venture capital fund programs, and credit guarantee programs.

(13) **STATE PROGRAM.**—The term “State program” means a State capital access program or a State other credit support program.

(14) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

### SEC. 3203. FEDERAL FUNDS ALLOCATED TO STATES.

(a) **PROGRAM ESTABLISHED; PURPOSE.**—There is established the State Small Business Credit Initiative, to be administered by the Secretary. Under the Program, the Secretary shall allocate Federal funds to participating States and make the allocated funds available to the participating States as provided in this section for the uses described in this section.

(b) **ALLOCATION FORMULA.**—

(1) **IN GENERAL.**—Not later than 30 days after the date of enactment of this Act, the Secretary shall allocate Federal funds to participating States so that each State is el-

igible to receive an amount equal to the average of the respective amounts that the State—

(A) would receive under the 2009 allocation, as determined under paragraph (2); and

(B) would receive under the 2010 allocation, as determined under paragraph (3).

(2) **2009 ALLOCATION FORMULA.**—

(A) **IN GENERAL.**—The Secretary shall determine the 2009 allocation by allocating Federal funds among the States in the proportion that each such State’s 2008 State employment decline bears to the aggregate of the 2008 State employment declines for all States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2008 STATE EMPLOYMENT DECLINE DEFINED.**—In this paragraph and with respect to a State, the term “2008 State employment decline” means the excess (if any) of—

(i) the number of individuals employed in such State determined for December 2007; over

(ii) the number of individuals employed in such State determined for December 2008.

(3) **2010 ALLOCATION FORMULA.**—

(A) **IN GENERAL.**—The Secretary shall determine the 2010 allocation by allocating Federal funds among the States in the proportion that each such State’s 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2009 UNEMPLOYMENT NUMBER DEFINED.**—In this paragraph and with respect to a State, the term “2009 unemployment number” means the number of individuals within such State who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

(c) **AVAILABILITY OF ALLOCATED AMOUNT.**—The amount allocated by the Secretary to each participating State under subsection (b) shall be made available to the State as follows:

(1) **ALLOCATED AMOUNT GENERALLY TO BE AVAILABLE TO STATE IN ONE-THIRDS.**—

(A) **IN GENERAL.**—The Secretary shall—

(i) apportion the participating State’s allocated amount into thirds;

(ii) transfer to the participating State the first  $\frac{1}{3}$  when the Secretary approves the State for participation under section 3204; and

(iii) transfer to the participating State each successive  $\frac{1}{3}$  when the State has certified to the Secretary that it has expended, transferred, or obligated 80 percent of the last transferred  $\frac{1}{3}$  for Federal contributions to, or for the account of, State programs.

(B) **AUTHORITY TO WITHHOLD PENDING AUDIT.**—The Secretary may withhold the transfer of any successive  $\frac{1}{3}$  pending results of a financial audit.

(C) **INSPECTOR GENERAL AUDITS.**—

(i) **IN GENERAL.**—The Inspector General of the Department of the Treasury shall carry out an audit of the participating State’s use of allocated Federal funds transferred to the State.

(ii) **RECOUPMENT OF MISUSED TRANSFERRED FUNDS REQUIRED.**—The allocation agreement between the Secretary and the participating State shall provide that the Secretary shall recoup any allocated Federal funds transferred to the participating State if the results of the an audit include a finding that there was an intentional or reckless misuse of transferred funds by the State.

(iii) **PENALTY FOR MISSTATEMENT.**—Any participating State that is found to have intentionally misstated any report issued to the Secretary under the Program shall be ineligible to receive any additional funds under the Program. Funds that had been allocated or that would otherwise have been allocated to such participating State shall be paid into the general fund of the Treasury for reduction of the public debt.

(iv) **MUNICIPALITIES.**—In this subparagraph, the term “participating State” shall include a municipality given special permission to participate in the Program, under section 3204(d).

(D) **EXCEPTION.**—The Secretary may, in the Secretary’s discretion, transfer the full amount of the participating State’s allocated amount to the State in a single transfer if the participating State applies to the Secretary for approval to use the full amount of the allocation as collateral for a qualifying loan or swap funding facility.

(2) **TRANSFERRED AMOUNTS.**—Each amount transferred to a participating State under this section shall remain available to the State until used by the State as permitted under paragraph (3).

(3) **USE OF TRANSFERRED FUNDS.**—Each participating State may use funds transferred to it under this section only—

(A) for making Federal contributions to, or for the account of, an approved State program;

(B) as collateral for a qualifying loan or swap funding facility;

(C) in the case of the first  $\frac{1}{3}$  transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 5 percent of that first  $\frac{1}{3}$ ; or

(D) in the case of each successive  $\frac{1}{3}$  transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 3 percent of that successive  $\frac{1}{3}$ .

(4) **TERMINATION OF AVAILABILITY OF AMOUNTS NOT TRANSFERRED WITHIN 2 YEARS OF PARTICIPATION.**—Any portion of a participating State’s allocated amount that has not been transferred to the State under this section by the end of the 2-year period beginning on the date that the Secretary approves the State for participation may be deemed by the Secretary to be no longer allocated to the State and no longer available to the State and shall be returned to the General Fund of the Treasury.

(5) **TRANSFERRED AMOUNTS NOT ASSISTANCE.**—The amounts transferred to a participating State under this section shall not be considered assistance for purposes of subtitle V of title 31, United States Code.

(6) **DEFINITIONS.**—In this section—

(A) the term “allocated amount” means the total amount of Federal funds allocated by the Secretary under subsection (b) to the participating State; and

(B) the term “ $\frac{1}{3}$ ” means—

(i) in the case of the first  $\frac{1}{3}$  and second  $\frac{1}{3}$ , an amount equal to 33 percent of a participating State’s allocated amount; and

(ii) in the case of the last  $\frac{1}{3}$ , an amount equal to 34 percent of a participating State’s allocated amount.

### SEC. 3204. APPROVING STATES FOR PARTICIPATION.

(a) **APPLICATION.**—Any State may apply to the Secretary for approval to be a participating State under the Program and to be eligible for an allocation of Federal funds under the Program.

(b) **GENERAL APPROVAL CRITERIA.**—The Secretary shall approve a State to be a participating State, if—

(1) a specific department, agency, or political subdivision of the State has been designated to implement a State program and participate in the Program;

(2) all legal actions necessary to enable such designated department, agency, or political subdivision to implement a State program and participate in the Program have been accomplished;

(3) the State has filed an application with the Secretary for approval of a State capital access program under section 3205 or approval as a State other credit support program under section 3206, in each case within the time period provided in the respective section; and

(4) the State and the Secretary have executed an allocation agreement that—

(A) conforms to the requirements of this subtitle;

(B) ensures that the State program complies with such national standards as are established by the Secretary under section 3209(a)(2);

(C) sets forth internal control, compliance, and reporting requirements as established by the Secretary, and such other terms and conditions necessary to carry out the purposes of this subtitle, including an agreement by the State to allow the Secretary to audit State programs;

(D) requires that the State program be fully positioned, within 90 days of the State's execution of the allocation agreement with the Secretary, to act on providing the kind of credit support that the State program was established to provide; and

(E) includes an agreement by the State to deliver to the Secretary, and update annually, a schedule describing how the State intends to apportion among its State programs the Federal funds allocated to the State.

(c) **CONTRACTUAL ARRANGEMENTS FOR IMPLEMENTATION OF STATE PROGRAMS.**—A State may be approved to be a participating State, and be eligible for an allocation of Federal funds under the Program, if the State has contractual arrangements for the implementation and administration of its State program with—

(1) an existing, approved State program administered by another State; or

(2) an authorized agent of, or entity supervised by, the State, including for-profit and not-for-profit entities.

(d) **SPECIAL PERMISSION.**—

(1) **CIRCUMSTANCES WHEN A MUNICIPALITY MAY APPLY DIRECTLY.**—If a State does not, within 60 days after the date of enactment of this Act, file with the Secretary a notice of its intent to apply for approval by the Secretary of a State program or within 9 months after the date of enactment of this Act, file with the Secretary a complete application for approval of a State program, the Secretary may grant to municipalities of that State a special permission that will allow them to apply directly to the Secretary without the State for approval to be participating municipalities.

(2) **TIMING REQUIREMENTS APPLICABLE TO MUNICIPALITIES APPLYING DIRECTLY.**—To qualify for the special permission, a municipality of a State shall be required, within 12 months after the date of enactment of this Act, to file with the Secretary a complete application for approval by the Secretary of a State program.

(3) **NOTICES OF INTENT AND APPLICATIONS FROM MORE THAN 1 MUNICIPALITY.**—A municipality of a State may combine with 1 or more other municipalities of that State to file a joint notice of intent to file and a joint application.

(4) **APPROVAL CRITERIA.**—The general approval criteria in paragraphs (2) and (4) shall apply.

(5) **ALLOCATION TO MUNICIPALITIES.**—

(A) **IF MORE THAN 3.**—If more than 3 municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to the 3 municipalities with the largest populations.

(B) **IF 3 OR FEWER.**—If 3 or fewer municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to each applicant municipality or combination of municipalities.

(6) **APPORTIONMENT OF ALLOCATED AMOUNT AMONG PARTICIPATING MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall apportion the full amount of the Federal funds that are allocated to that State to municipalities that are approved under this subsection in amounts proportionate to the population of those municipalities, based on the most recent available decennial census.

(7) **APPROVING STATE PROGRAMS FOR MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall take into account the additional considerations in section 3206(d) in making the determination under section 3205 or 3206 that the State program or programs to be implemented by the participating municipalities, including a State capital access program, is eligible for Federal contributions to, or for the account of, the State program.

#### **SEC. 3205. APPROVING STATE CAPITAL ACCESS PROGRAMS.**

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, State capital access program that meets the eligibility criteria in subsection (c) may apply to Secretary to have the State capital access program approved as eligible for Federal contributions to the reserve fund.

(b) **APPROVAL.**—The Secretary shall approve such State capital access program as eligible for Federal contributions to the reserve fund if—

(1) within 60 days after the date of enactment of this Act, the State has filed with the Secretary a notice of intent to apply for approval by the Secretary of a State capital access program;

(2) within 9 months after the date of enactment of this Act, the State has filed with the Secretary a complete application for approval by the Secretary of a capital access program;

(3) the State satisfies the requirements of subsections (a) and (b) of section 3204; and

(4) the State capital access program meets the eligibility criteria in subsection (c).

(c) **ELIGIBILITY CRITERIA FOR STATE CAPITAL ACCESS PROGRAMS.**—For a State capital access program to be approved under this section, that program shall be required to be a program of the State that—

(1) provides portfolio insurance for business loans based on a separate loan-loss reserve fund for each financial institution;

(2) requires insurance premiums to be paid by the financial institution lenders and by the business borrowers to the reserve fund to have their loans enrolled in the reserve fund;

(3) provides for contributions to be made by the State to the reserve fund in amounts at least equal to the sum of the amount of the insurance premium charges paid by the borrower and the financial institution to the reserve fund for any newly enrolled loan; and

(4) provides its portfolio insurance solely for loans that meet both the following requirements:

(A) The borrower has 500 employees or less at the time that the loan is enrolled in the Program.

(B) The loan amount does not exceed \$5,000,000.

(d) **FEDERAL CONTRIBUTIONS TO APPROVED STATE CAPITAL ACCESS PROGRAMS.**—A State capital access program approved under this section will be eligible for receiving Federal contributions to the reserve fund in an amount equal to the sum of the amount of the insurance premium charges paid by the borrowers and by the financial institution to the reserve fund for loans that meet the requirements in subsection (c)(4). A participating State may use the Federal contribution to make its contribution to the reserve fund of an approved State capital access program.

(e) **MINIMUM PROGRAM REQUIREMENTS FOR STATE CAPITAL ACCESS PROGRAMS.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements that meet the following minimum requirements:

(1) **EXPERIENCE AND CAPACITY.**—The participating State shall determine for each financial institution that participates in the State capital access program, after consultation with the appropriate Federal banking agency or, in the case of a financial institution that is a nondepository community development financial institution, the Community Development Financial Institution Fund, that the financial institution has sufficient commercial lending experience and financial and managerial capacity to participate in the approved State capital access program. The determination by the State shall not be reviewable by the Secretary.

(2) **INVESTMENT AUTHORITY.**—Subject to applicable State law, the participating State may invest, or cause to be invested, funds held in a reserve fund by establishing a deposit account at the financial institution lender in the name of the participating State. In the event that funds in the reserve fund are not deposited in such an account, such funds shall be invested in a form that the participating State determines is safe and liquid.

(3) **LOAN TERMS AND CONDITIONS TO BE DETERMINED BY AGREEMENT.**—A loan to be filed for enrollment in an approved State capital access program may be made with such interest rate, fees, and other terms and conditions, and the loan may be enrolled in the approved State capital access program and claims may be filed and paid, as agreed upon by the financial institution lender and the borrower, consistent with applicable law.

(4) **LENDER CAPITAL AT-RISK.**—A loan to be filed for enrollment in the State capital access program shall require the financial institution lender to have a meaningful amount of its own capital resources at risk in the loan.

(5) **PREMIUM CHARGES MINIMUM AND MAXIMUM AMOUNTS.**—The insurance premium charges payable to the reserve fund by the borrower and the financial institution lender shall be prescribed by the financial institution lender, within minimum and maximum limits that require that the sum of the insurance premium charges paid in connection with a loan by the borrower and the financial institution lender may not be less than 2 percent nor more than 7 percent of the amount of the loan enrolled in the approved State capital access program.

(6) **STATE CONTRIBUTIONS.**—In enrolling a loan in an approved State capital access program, the participating State may make a contribution to the reserve fund to supplement Federal contributions made under this Program.

## (7) LOAN PURPOSE.—

(A) PARTICULAR LOAN PURPOSE REQUIREMENTS AND PROHIBITIONS.—In connection with the filing of a loan for enrollment in an approved State capital access program, the financial institution lender—

(i) shall obtain an assurance from each borrower that—

(I) the proceeds of the loan will be used for a business purpose;

(II) the loan will not be used to finance such business activities as the Secretary, by regulation, may proscribe as prohibited loan purposes for enrollment in an approved State capital access program; and

(III) the borrower is not—

(aa) an executive officer, director, or principal shareholder of the financial institution lender;

(bb) a member of the immediate family of an executive officer, director, or principal shareholder of the financial institution lender; or

(cc) a related interest of any such executive officer, director, principal shareholder, or member of the immediate family;

(ii) shall provide assurances to the participating State that the loan has not been made in order to place under the protection of the approved State capital access program prior debt that is not covered under the approved State capital access program and that is or was owed by the borrower to the financial institution lender or to an affiliate of the financial institution lender;

(iii) shall not allow the enrollment of a loan to a borrower that is a refinancing of a loan previously made to that borrower by the financial institution lender or an affiliate of the financial institution lender; and

(iv) may include additional restrictions on the eligibility of loans or borrowers that are not inconsistent with the provisions and purposes of this subtitle, including compliance with all applicable Federal and State laws, regulations, ordinances, and Executive orders.

(B) DEFINITIONS.—In this paragraph, the terms “executive officer”, “director”, “principal shareholder”, “immediate family”, and “related interest” refer to the same relationship to a financial institution lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

(8) CAPITAL ACCESS FOR SMALL BUSINESSES IN UNDERSERVED COMMUNITIES.—At the time that a State applies to the Secretary to have the State capital access program approved as eligible for Federal contributions, the State shall deliver to the Secretary a report stating how the State plans to use the Federal contributions to the reserve fund to provide access to capital for small businesses in low- and moderate-income, minority, and other underserved communities, including women- and minority-owned small businesses.

#### SEC. 3206. APPROVING COLLATERAL SUPPORT AND OTHER INNOVATIVE CREDIT ACCESS AND GUARANTEE INITIATIVES FOR SMALL BUSINESSES AND MANUFACTURERS.

(a) APPLICATION.—A participating State that establishes a new, or has an existing, credit support program that meets the eligibility criteria in subsection (c) may apply to the Secretary to have the State other credit support program approved as eligible for Federal contributions to, or for the account of, the State program.

(b) APPROVAL.—The Secretary shall approve such State other credit support program as eligible for Federal contributions to, or for the account of, the program if—

(1) the Secretary determines that the State satisfies the requirements of paragraphs (1) through (3) of section 3205(b);

(2) the Secretary determines that the State other credit support program meets the eligibility criteria in subsection (c);

(3) the Secretary determines the State other credit support program to be eligible based on the additional considerations in subsection (d); and

(4) within 9 months after the date of enactment of this Act, the State has filed with Treasury a complete application for Treasury approval.

(c) ELIGIBILITY CRITERIA FOR STATE OTHER CREDIT SUPPORT PROGRAMS.—For a State other credit support program to be approved under this section, that program shall be required to be a program of the State that—

(1) can demonstrate that, at a minimum, \$1 of public investment by the State program will cause and result in \$1 of new private credit;

(2) can demonstrate a reasonable expectation that, when considered with all other State programs of the State, such State programs together have the ability to use amounts of new Federal contributions to, or for the account of, all such programs in the State to cause and result in amounts of new small business lending at least 10 times the new Federal contribution amount;

(3) for those State other credit support programs that provide their credit support through 1 or more financial institution lenders, requires the financial institution lenders to have a meaningful amount of their own capital resources at risk in their small business lending; and

(4) uses Federal funds allocated under this subtitle to extend credit support that—

(A) targets an average borrower size of 500 employees or less;

(B) does not extend credit support to borrowers that have more than 750 employees;

(C) targets support towards loans with an average principal amount of \$5,000,000 or less; and

(D) does not extend credit support to loans that exceed a principal amount of \$20,000,000.

(d) ADDITIONAL CONSIDERATIONS.—In making a determination that a State other credit support program is eligible for Federal contributions to, or for the account of, the State program, the Secretary shall take into account the following additional considerations:

(1) The anticipated benefits to the State, its businesses, and its residents to be derived from the Federal contributions to, or for the account of, the approved State other credit support program, including the extent to which resulting small business lending will expand economic opportunities.

(2) The operational capacity, skills, and experience of the management team of the State other credit support program.

(3) The capacity of the State other credit support program to manage increases in the volume of its small business lending.

(4) The internal accounting and administrative controls systems of the State other credit support program, and the extent to which they can provide reasonable assurance that funds of the State program are safeguarded against waste, loss, unauthorized use, or misappropriation.

(5) The soundness of the program design and implementation plan of the State other credit support program.

(e) FEDERAL CONTRIBUTIONS TO APPROVED STATE OTHER CREDIT SUPPORT PROGRAMS.—A State other credit support program approved under this section will be eligible for receiving Federal contributions to, or for the account of, the State program in an amount consistent with the schedule describing the apportionment of allocated Federal funds among State programs delivered by the State to the Secretary under the allocation agreement.

(f) MINIMUM PROGRAM REQUIREMENTS FOR STATE OTHER CREDIT SUPPORT PROGRAMS.—

(1) FUND TO PRESCRIBE.—The Secretary shall, by regulation or other guidance, prescribe Program requirements for approved State other credit support programs.

(2) CONSIDERATIONS FOR FUND.—In prescribing minimum Program requirements for approved State other credit support programs, the Secretary shall take into consideration, to the extent the Secretary determines applicable and appropriate, the minimum Program requirements for approved State capital access programs in section 3205(e).

#### SEC. 3207. REPORTS.

(a) QUARTERLY USE-OF-FUNDS REPORT.—

(1) IN GENERAL.—Not later than 30 days after the beginning of each calendar quarter, beginning after the first full calendar quarter to occur after the date the Secretary approves a State for participation, the participating State shall submit to the Secretary a report on the use of Federal funding by the participating State during the previous calendar quarter.

(2) REPORT CONTENTS.—Each report under this subsection shall—

(A) indicate the total amount of Federal funding used by the participating State; and

(B) include a certification by the participating State that—

(i) the information provided in accordance with subparagraph (A) is accurate;

(ii) funds continue to be available and legally committed to contributions by the State to, or for the account of, approved State programs, less any amount that has been contributed by the State to, or for the account of, approved State programs subsequent to the State being approved for participation in the Program; and

(iii) the participating State is implementing its approved State program or programs in accordance with this subtitle and regulations issued under section 3210.

(b) ANNUAL REPORT.—Not later than March 31 of each year, beginning March 31, 2011, each participating State shall submit to the Secretary an annual report that shall include the following information:

(1) The number of borrowers that received new loans originated under the approved State program or programs after the State program was approved as eligible for Federal contributions.

(2) The total amount of such new loans.

(3) Breakdowns by industry type, loan size, annual sales, and number of employees of the borrowers that received such new loans.

(4) The zip code of each borrower that received such a new loan.

(5) Such other data as the Secretary, in the Secretary's sole discretion, may require to carry out the purposes of the Program.

(c) FORM.—The reports and data filed under subsections (a) and (b) shall be in such form as the Secretary, in the Secretary's sole discretion, may require.

(d) TERMINATION OF REPORTING REQUIREMENTS.—The requirement to submit reports under subsections (a) and (b) shall terminate for a participating State with the submission of the completed reports due on the first March 31 to occur after 5 complete 12-month periods after the State is approved by the Secretary to be a participating State.

#### SEC. 3208. REMEDIES FOR STATE PROGRAM TERMINATION OR FAILURES.

(a) REMEDIES.—

(1) IN GENERAL.—If any of the events listed in paragraph (2) occur, the Secretary, in the Secretary's discretion, may—

(A) reduce the amount of Federal funds allocated to the State under the Program; or

(B) terminate any further transfers of allocated amounts that have not yet been transferred to the State.

(2) CAUSAL EVENTS.—The events referred to in paragraph (1) are—

(A) termination by a participating State of its participation in the Program;

(B) failure on the part of a participating State to submit complete reports under section 3207 on a timely basis; or

(C) noncompliance by the State with the terms of the allocation agreement between the Secretary and the State.

(b) DEALLOCATED AMOUNTS TO BE REALLOCATED.—If, after 13 months, any portion of the amount of Federal funds allocated to a participating State is deemed by the Secretary to be no longer allocated to the State after actions taken by the Secretary under subsection (a)(1), the Secretary shall reallocate that portion among the participating States, excluding the State whose allocated funds were deemed to be no longer allocated, as provided in section 3203(b).

#### SEC. 3209. IMPLEMENTATION AND ADMINISTRATION.

(a) GENERAL AUTHORITIES AND DUTIES.—The Secretary shall—

(1) consult with the Administrator of the Small Business Administration and the appropriate Federal banking agencies on the administration of the Program;

(2) establish minimum national standards for approved State programs;

(3) provide technical assistance to States for starting State programs and generally disseminate best practices;

(4) manage, administer, and perform necessary program integrity functions for the Program; and

(5) ensure adequate oversight of the approved State programs, including oversight of the cash flows, performance, and compliance of each approved State program.

(b) APPROPRIATIONS.—There is hereby appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, \$900,000,000 to carry out the Program, including to pay reasonable costs of administering the Program.

(c) TERMINATION OF SECRETARY'S PROGRAM ADMINISTRATION FUNCTIONS.—The authorities and duties of the Secretary to implement and administer the Program shall terminate at the end of the 7-year period beginning on the date of enactment of this Act.

(d) EXPEDITED CONTRACTING.—During the 1-year period beginning on the date of enactment of this Act, the Secretary may enter into contracts without regard to any other provision of law regarding public contracts, for purposes of carrying out this subtitle.

#### SEC. 3210. REGULATIONS.

The Secretary, in consultation with the Administrator of the Small Business Administration, shall issue such regulations and other guidance as the Secretary determines necessary or appropriate to implement this subtitle including to define terms, to establish compliance and reporting requirements, and such other terms and conditions necessary to carry out the purposes of this subtitle.

#### SEC. 3211. OVERSIGHT AND AUDITS.

(a) INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the use of funds made available under the Program.

(b) GAO AUDIT.—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(c) REQUIRED CERTIFICATION.—

(1) FINANCIAL INSTITUTIONS CERTIFICATION.—With respect to funds received by a participating State under the Program, any financial institution that receives a loan, a loan guarantee, or other financial assistance

using such funds after the date of the enactment of this Act shall certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in section 5312 (a)(2) and (c)(1)(A) of title 31, United States Code, to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) SEX OFFENSE CERTIFICATION.—With respect to funds received by a participating State under the Program, any private entity that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify to the participating State that the principals of such entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(d) PROHIBITION ON PORNOGRAPHY.—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

#### TITLE IV—BUDGETARY PROVISIONS

##### SEC. 4001. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

**SA 4403.** Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) proposed an amendment to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

Strike all after the first word, insert the following:

##### 1. SHORT TITLE.

This Act may be cited as the "Small Business Jobs Act of 2010".

##### SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

##### TITLE I—SMALL BUSINESSES

Sec. 1001. Definitions.

Subtitle A—Small Business Access to Credit

Sec. 1101. Short title.

##### PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

Sec. 1111. Section 7(a) business loans.

Sec. 1112. Maximum loan amounts under 504 program.

Sec. 1113. Maximum loan limits under microloan program.

Sec. 1114. Temporary fee reductions.

Sec. 1115. New Markets Venture Capital company investment limitations.

Sec. 1116. Alternative size standards.

Sec. 1117. Sale of 7(a) loans in secondary market.

Sec. 1118. Online lending platform.

Sec. 1119. SBA Secondary Market Guarantee Authority.

##### PART II—SMALL BUSINESS ACCESS TO CAPITAL

Sec. 1122. Low-interest refinancing under the local development business loan program.

##### PART III—OTHER MATTERS

Sec. 1131. Small business intermediary lending pilot program.

Sec. 1132. Public policy goals.

Sec. 1133. Draft floor plan pilot program extension.

Sec. 1134. Guarantees for bonds and notes issued for community or economic development purposes.

Sec. 1135. Temporary express loan enhancement.

Sec. 1136. Prohibition on using TARP funds or tax in creases.

##### Subtitle B—Small Business Trade and Exporting

Sec. 1201. Short title.

Sec. 1202. Definitions.

Sec. 1203. Office of International Trade.

Sec. 1204. Duties of the Office of International Trade.

Sec. 1205. Export assistance centers.

Sec. 1206. International trade finance programs.

Sec. 1207. State Trade and Export Promotion Grant Program.

Sec. 1208. Rural export promotion.

Sec. 1209. International trade cooperation by small business development centers.

##### Subtitle C—Small Business Contracting

##### PART I—CONTRACT BUNDLING

Sec. 1311. Small Business Act.

Sec. 1312. Leadership and oversight.

Sec. 1313. Consolidation of contract requirements.

Sec. 1314. Small business teams pilot program.

##### PART II—SUBCONTRACTING INTEGRITY

Sec. 1321. Subcontracting misrepresentations.

Sec. 1322. Small business subcontracting improvements.

##### PART III—ACQUISITION PROCESS

Sec. 1331. Reservation of prime contract awards for small businesses.

Sec. 1332. Micro-purchase guidelines.

Sec. 1333. Agency accountability.

Sec. 1334. Payment of subcontractors.

Sec. 1335. Repeal of Small Business Competitiveness Demonstration Program.

##### PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY

Sec. 1341. Policy and presumptions.

Sec. 1342. Annual certification.

Sec. 1343. Training for contracting and enforcement personnel.

Sec. 1344. Updated size standards.

Sec. 1345. Study and report on the mentor-protégé program.

Sec. 1346. Contracting goals reports.

Sec. 1347. Small business contracting parity.



Subtitle D—Small Business Management and Counseling Assistance

Sec. 1401. Matching requirements under small business programs.

Sec. 1402. Grants for SBDs.

Subtitle E—Disaster Loan Improvement

Sec. 1501. Aquaculture business disaster assistance.

Subtitle F—Small Business Regulatory Relief

Sec. 1601. Requirements providing for more detailed analyses.

Sec. 1602. Office of advocacy.

Subtitle G—Appropriations Provisions

Sec. 1701. Salaries and expenses.

Sec. 1702. Business loans program account.

Sec. 1703. Community Development Financial Institutions Fund program account.

TITLE II—TAX PROVISIONS

Sec. 2001. Short title.

Subtitle A—Small Business Relief

PART I—PROVIDING ACCESS TO CAPITAL

Sec. 2011. Temporary exclusion of 100 percent of gain on certain small business stock.

Sec. 2012. General business credits of eligible small businesses for 2010 carried back 5 years.

Sec. 2013. General business credits of eligible small businesses in 2010 not subject to alternative minimum tax.

Sec. 2014. Temporary reduction in recognition period for built-in gains tax.

PART II—ENCOURAGING INVESTMENT

Sec. 2021. Increased expensing limitations for 2010 and 2011; certain real property treated as section 179 property.

Sec. 2022. Additional first-year depreciation for 50 percent of the basis of certain qualified property.

PART III—PROMOTING ENTREPRENEURSHIP

Sec. 2031. Increase in amount allowed as deduction for start-up expenditures in 2010.

Sec. 2032. Authorization of appropriations for the United States Trade Representative to develop market access opportunities for United States small- and medium-sized businesses and to enforce trade agreements.

PART IV—PROMOTING SMALL BUSINESS FAIRNESS

Sec. 2041. Limitation on penalty for failure to disclose reportable transactions based on resulting tax benefits.

Sec. 2042. Deduction for health insurance costs in computing self-employment taxes in 2010.

Subtitle B—Revenue Provisions

PART I—REDUCING THE TAX GAP

Sec. 2101. Information reporting for rental property expense payments.

Sec. 2102. Increase in information return penalties.

Sec. 2103. Report on tax shelter penalties and certain other enforcement actions.

Sec. 2104. Application of levy to payments to Federal vendors relating to property.

Sec. 2105. Application of continuous levy to tax liabilities of certain Federal contractors.

Sec. 2106. Application of bad checks penalty to electronic payments.

PART II—PROMOTING RETIREMENT PREPARATION

Sec. 2111. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.

Sec. 2112. Rollovers from elective deferral plans to designated Roth accounts.

PART III—CLOSING UNINTENDED LOOPHOLES

Sec. 2121. Crude oil ineligible for cellulosic biofuel producer credit.

PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

Sec. 2131. Time for payment of corporate estimated taxes.

TITLE III—SMALL BUSINESS LENDING

Subtitle A—Small Business Lending Fund

Sec. 3101. Purpose.

Sec. 3102. Definitions.

Sec. 3103. Small business lending fund.

Sec. 3104. Additional authorities of the Secretary.

Sec. 3105. Considerations.

Sec. 3106. Reports.

Sec. 3107. Oversight and audits.

Sec. 3108. Credit reform; funding.

Sec. 3109. Termination and continuation of authorities.

Sec. 3110. Preservation of authority.

Sec. 3111. Assurances.

Sec. 3112. Study and report with respect to women-owned, veteran-owned, and minority-owned businesses.

Sec. 3113. Sense of congress.

Subtitle B—State Small Business Credit Initiative

Sec. 3201. Short title.

Sec. 3202. Definitions.

Sec. 3203. Federal funds allocated to States.

Sec. 3204. Approving States for participation.

Sec. 3205. Approving State capital access programs.

Sec. 3206. Approving collateral support and other innovative credit access and guarantee initiatives for small businesses and manufacturers.

Sec. 3207. Reports.

Sec. 3208. Remedies for State program termination or failures.

Sec. 3209. Implementation and administration.

Sec. 3210. Regulations.

Sec. 3211. Oversight and audits.

TITLE IV—BUDGETARY PROVISIONS

Sec. 4001. Determination of budgetary effects.

TITLE I—SMALL BUSINESSES

SEC. 1001. DEFINITIONS.

In this title—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

Subtitle A—Small Business Access to Credit

SEC. 1101. SHORT TITLE.

This subtitle may be cited as the “Small Business Job Creation and Access to Capital Act of 2010”.

PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY

SEC. 1111. SECTION 7(a) BUSINESS LOANS.

(a) AMENDMENT.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “75 percent” and inserting “90 percent”; and

(B) in clause (ii), by striking “85 percent” and inserting “90 percent”; and

(2) in paragraph (3)(A), by striking “\$1,500,000 (or if the gross loan amount would exceed \$2,000,000)” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000”.

(b) PROSPECTIVE REPEAL.—Effective January 1, 2011, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “90 percent” and inserting “75 percent”; and

(B) in clause (ii), by striking “90 percent” and inserting “85 percent”; and

(2) in paragraph (3)(A), by striking “\$4,500,000” and inserting “\$3,750,000”.

SEC. 1112. MAXIMUM LOAN AMOUNTS UNDER 504 PROGRAM.

Section 502(2)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)) is amended—

(1) in clause (i), by striking “\$1,500,000” and inserting “\$5,000,000”; and

(2) in clause (ii), by striking “\$2,000,000” and inserting “\$5,000,000”; and

(3) in clause (iii), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(4) in clause (iv), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(5) in clause (v), by striking “\$4,000,000” and inserting “\$5,500,000”.

SEC. 1113. MAXIMUM LOAN LIMITS UNDER MICROLOAN PROGRAM.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (1)(B)(iii), by striking “\$35,000” and inserting “\$50,000”; and

(2) in paragraph (3)—

(A) in subparagraph (C), by striking “\$3,500,000” and inserting “\$5,000,000”; and

(B) in subparagraph (E), by striking “\$35,000” each place that term appears and inserting “\$50,000”; and

(3) in paragraph (11)(B), by striking “\$35,000” and inserting “\$50,000”.

SEC. 1114. TEMPORARY FEE REDUCTIONS.

Section 501 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “September 30, 2010” each place that term appears and inserting “December 31, 2010”.

SEC. 1115. NEW MARKETS VENTURE CAPITAL COMPANY INVESTMENT LIMITATIONS.

Section 355 of the Small Business Investment Act of 1958 (15 U.S.C. 689d) is amended by adding at the end the following:

“(e) INVESTMENT LIMITATIONS.—

“(1) DEFINITION.—In this subsection, the term ‘covered New Markets Venture Capital company’ means a New Markets Venture Capital company—

“(A) granted final approval by the Administrator under section 354(e) on or after March 1, 2002; and

“(B) that has obtained a financing from the Administrator.

“(2) LIMITATION.—Except to the extent approved by the Administrator, a covered New Markets Venture Capital company may not acquire or issue commitments for securities under this title for any single enterprise in an aggregate amount equal to more than 10 percent of the sum of—

“(A) the regulatory capital of the covered New Markets Venture Capital company; and

“(B) the total amount of leverage projected in the participation agreement of the covered New Markets Venture Capital.”.

SEC. 1116. ALTERNATIVE SIZE STANDARDS.

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following:

“(5) ALTERNATIVE SIZE STANDARD.—

“(A) IN GENERAL.—The Administrator shall establish an alternative size standard for applicants for business loans under section 7(a) and applicants for development company

loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), that uses maximum tangible net worth and average net income as an alternative to the use of industry standards.

“(B) INTERIM RULE.—Until the date on which the alternative size standard established under subparagraph (A) is in effect, an applicant for a business loan under section 7(a) or an applicant for a development company loan under title V of the Small Business Investment Act of 1958 may be eligible for such a loan if—

“(i) the maximum tangible net worth of the applicant is not more than \$15,000,000; and

“(ii) the average net income after Federal income taxes (excluding any carry-over losses) of the applicant for the 2 full fiscal years before the date of the application is not more than \$5,000,000.”

#### SEC. 1117. SALE OF 7(a) LOANS IN SECONDARY MARKET.

Section 5(g) of the Small Business Act (15 U.S.C. 634(g)) is amended by adding at the end the following:

“(6) If the amount of the guaranteed portion of any loan under section 7(a) is more than \$500,000, the Administrator shall, upon request of a pool assembler, divide the loan guarantee into increments of \$500,000 and 1 increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any loan in a pool to be not more than \$500,000. Only 1 increment of any loan guarantee divided under this paragraph may be included in the same pool. Increments of loan guarantees to different borrowers that are divided under this paragraph may be included in the same pool.”

#### SEC. 1118. ONLINE LENDING PLATFORM.

It is the sense of Congress that the Administrator of the Small Business Administration should establish a website that—

(1) lists each lender that makes loans guaranteed by the Small Business Administration and provides information about the loan rates of each such lender; and

(2) allows prospective borrowers to compare rates on loans guaranteed by the Small Business Administration.

#### SEC. 1119. SBA SECONDARY MARKET GUARANTEE AUTHORITY.

Section 503(f) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 155) is amended by striking “on the date 2 years after the date of enactment of this section” and inserting “2 years after the date of the first sale of a pool of first lien position 504 loans guaranteed under this section to a third-party investor”.

### PART II—SMALL BUSINESS ACCESS TO CAPITAL

#### SEC. 1122. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.

(a) REFINANCING.—Section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by adding at the end the following:

“(C) REFINANCING NOT INVOLVING EXPANSIONS.—

“(i) DEFINITIONS.—In this subparagraph—

“(I) the term ‘borrower’ means a small business concern that submits an application to a development company for financing under this subparagraph;

“(II) the term ‘eligible fixed asset’ means tangible property relating to which the Administrator may provide financing under this section; and

“(III) the term ‘qualified debt’ means indebtedness—

“(aa) that—

“(AA) was incurred not less than 2 years before the date of the application for assistance under this subparagraph;

“(BB) is a commercial loan;

“(CC) is not subject to a guarantee by a Federal agency;

“(DD) the proceeds of which were used to acquire an eligible fixed asset;

“(EE) was incurred for the benefit of the small business concern; and

“(FF) is collateralized by eligible fixed assets; and

“(bb) for which the borrower has been current on all payments for not less than 1 year before the date of the application.

“(ii) AUTHORITY.—A project that does not involve the expansion of a small business concern may include the refinancing of qualified debt if—

“(I) the amount of the financing is not more than 90 percent of the value of the collateral for the financing, except that, if the appraised value of the eligible fixed assets serving as collateral for the financing is less than the amount equal to 125 percent of the amount of the financing, the borrower may provide additional cash or other collateral to eliminate any deficiency;

“(II) the borrower has been in operation for all of the 2-year period ending on the date of the loan; and

“(III) for a financing for which the Administrator determines there will be an additional cost attributable to the refinancing of the qualified debt, the borrower agrees to pay a fee in an amount equal to the anticipated additional cost.

“(iii) FINANCING FOR BUSINESS EXPENSES.—

“(I) FINANCING FOR BUSINESS EXPENSES.—The Administrator may provide financing to a borrower that receives financing that includes a refinancing of qualified debt under clause (ii), in addition to the refinancing under clause (ii), to be used solely for the payment of business expenses.

“(II) APPLICATION FOR FINANCING.—An application for financing under subclause (I) shall include—

“(aa) a specific description of the expenses for which the additional financing is requested; and

“(bb) an itemization of the amount of each expense.

“(III) CONDITION ON ADDITIONAL FINANCING.—A borrower may not use any part of the financing under this clause for non-business purposes.

“(iv) LOANS BASED ON JOBS.—

“(I) JOB CREATION AND RETENTION GOALS.—

“(aa) IN GENERAL.—The Administrator may provide financing under this subparagraph for a borrower that meets the job creation goals under subsection (d) or (e) of section 501.

“(bb) ALTERNATE JOB RETENTION GOAL.—The Administrator may provide financing under this subparagraph to a borrower that does not meet the goals described in item (aa) in an amount that is not more than the product obtained by multiplying the number of employees of the borrower by \$65,000.

“(II) NUMBER OF EMPLOYEES.—For purposes of subclause (I), the number of employees of a borrower is equal to the sum of—

“(aa) the number of full-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; and

“(bb) the product obtained by multiplying—

“(AA) the number of part-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; by

“(BB) the quotient obtained by dividing the average number of hours each part time employee of the borrower works each week by 40.

“(v) NONDELEGATION.—Notwithstanding section 508(e), the Administrator may not permit a premier certified lender to approve

or disapprove an application for assistance under this subparagraph.

“(vi) TOTAL AMOUNT OF LOANS.—The Administrator may provide not more than a total of \$7,500,000,000 of financing under this subparagraph for each fiscal year.”

(b) PROSPECTIVE REPEAL.—Effective 2 years after the date of enactment of this Act, section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by striking subparagraph (C).

(c) TECHNICAL CORRECTION.—Section 502(2)(A)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)(i)) is amended by striking “subparagraph (B) or (C)” and inserting “clause (ii), (iii), (iv), or (v)”.

### PART III—OTHER MATTERS

#### SEC. 1131. SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by striking subsection (1) and inserting the following:

“(1) SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible intermediary’—

“(i) means a private, nonprofit entity that—

“(I) seeks or has been awarded a loan from the Administrator to make loans to small business concerns under this subsection; and

“(II) has not less than 1 year of experience making loans to startup, newly established, or growing small business concerns; and

“(ii) includes—

“(I) a private, nonprofit community development corporation;

“(II) a consortium of private, nonprofit organizations or nonprofit community development corporations; and

“(III) an agency of or nonprofit entity established by a Native American Tribal Government; and

“(B) the term ‘Program’ means the small business intermediary lending pilot program established under paragraph (2).

“(2) ESTABLISHMENT.—There is established a 3-year small business intermediary lending pilot program, under which the Administrator may make direct loans to eligible intermediaries, for the purpose of making loans to startup, newly established, and growing small business concerns.

“(3) PURPOSES.—The purposes of the Program are—

“(A) to assist small business concerns in areas suffering from a lack of credit due to poor economic conditions or changes in the financial market; and

“(B) to establish a loan program under which the Administrator may provide loans to eligible intermediaries to enable the eligible intermediaries to provide loans to startup, newly established, and growing small business concerns for working capital, real estate, or the acquisition of materials, supplies, or equipment.

“(4) LOANS TO ELIGIBLE INTERMEDIARIES.—

“(A) APPLICATION.—Each eligible intermediary desiring a loan under this subsection shall submit an application to the Administrator that describes—

“(i) the type of small business concerns to be assisted;

“(ii) the size and range of loans to be made;

“(iii) the interest rate and terms of loans to be made;

“(iv) the geographic area to be served and the economic, poverty, and unemployment characteristics of the area;

“(v) the status of small business concerns in the area to be served and an analysis of the availability of credit; and

“(vi) the qualifications of the applicant to carry out this subsection.

“(B) LOAN LIMITS.—No loan may be made to an eligible intermediary under this subsection if the total amount outstanding and committed to the eligible intermediary by the Administrator would, as a result of such loan, exceed \$1,000,000 during the participation of the eligible intermediary in the Program.

“(C) LOAN DURATION.—Loans made by the Administrator under this subsection shall be for a term of 20 years.

“(D) APPLICABLE INTEREST RATES.—Loans made by the Administrator to an eligible intermediary under the Program shall bear an annual interest rate equal to 1.00 percent.

“(E) FEES; COLLATERAL.—The Administrator may not charge any fees or require collateral with respect to any loan made to an eligible intermediary under this subsection.

“(F) DELAYED PAYMENTS.—The Administrator shall not require the repayment of principal or interest on a loan made to an eligible intermediary under the Program during the 2-year period beginning on the date of the initial disbursement of funds under that loan.

“(G) MAXIMUM PARTICIPANTS AND AMOUNTS.—During each of fiscal years 2011, 2012, and 2013, the Administrator may make loans under the Program—

“(i) to not more than 20 eligible intermediaries; and

“(ii) in a total amount of not more than \$20,000,000.

“(5) LOANS TO SMALL BUSINESS CONCERNS.—

“(A) IN GENERAL.—The Administrator, through an eligible intermediary, shall make loans to startup, newly established, and growing small business concerns for working capital, real estate, and the acquisition of materials, supplies, furniture, fixtures, and equipment.

“(B) MAXIMUM LOAN.—An eligible intermediary may not make a loan under this subsection of more than \$200,000 to any 1 small business concern.

“(C) APPLICABLE INTEREST RATES.—A loan made by an eligible intermediary to a small business concern under this subsection, may have a fixed or a variable interest rate, and shall bear an interest rate specified by the eligible intermediary in the application of the eligible intermediary for a loan under this subsection.

“(D) REVIEW RESTRICTIONS.—The Administrator may not review individual loans made by an eligible intermediary to a small business concern before approval of the loan by the eligible intermediary.

“(6) TERMINATION.—The authority of the Administrator to make loans under the Program shall terminate 3 years after the date of enactment of the Small Business Job Creation and Access to Capital Act of 2010.”

(b) RULEMAKING AUTHORITY.—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue regulations to carry out section 7(l) of the Small Business Act, as amended by subsection (a).

(c) AVAILABILITY OF FUNDS.—Any amounts provided to the Administrator for the purposes of carrying out section 7(l) of the Small Business Act, as amended by subsection (a), shall remain available until expended.

#### SEC. 1132. PUBLIC POLICY GOALS.

Section 501(d)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)) is amended—

(1) in subparagraph (J), by striking “or” at the end;

(2) in subparagraph (K), by striking the period at the end and inserting “, or”; and

(3) by adding at the end the following:

“(L) reduction of rates of unemployment in labor surplus areas, as such areas are determined by the Secretary of Labor.”.

#### SEC. 1133. DRAFT FLOOR PLAN PILOT PROGRAM EXTENSION.

(a) IN GENERAL.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by redesignating paragraph (32), relating to increased veteran participation, as added by section 208 of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186; 122 Stat. 631), as paragraph (33); and

(2) by adding at the end the following:

“(34) DEALER FLOOR PLAN FINANCING PROGRAM.—

“(A) DEFINITION.—In this paragraph, the term ‘eligible retail good’—

“(i) means a good for which a title may be obtained under State law; and

“(ii) includes an automobile, recreational vehicle, boat, and manufactured home.

“(B) PROGRAM.—The Administrator may guarantee the timely payment of an open-end extension of credit to a small business concern, the proceeds of which may be used for the purchase of eligible retail goods for resale.

“(C) AMOUNT.—An open-end extension of credit guaranteed under this paragraph shall be in an amount not less than \$500,000 and not more than \$5,000,000.

“(D) TERM.—An open-end extension of credit guaranteed under this paragraph shall have a term of not more than 5 years.

“(E) GUARANTEE PERCENTAGE.—The Administrator may guarantee—

“(i) not less than 60 percent of an open-end extension of credit under this paragraph; and

“(ii) not more than 75 percent of an open-end extension of credit under this paragraph.

“(F) ADVANCE RATE.—The lender for an open-end extension of credit guaranteed under this paragraph may allow the borrower to draw funds on the line of credit in an amount equal to not more than 100 percent of the value of the eligible retail goods to be purchased.”.

(b) SUNSET.—Effective September 30, 2013, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking paragraph (34); and

(2) by redesignating paragraph (35), as added by section 1206 of this Act, as paragraph (34).

#### SEC. 1134. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

The Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et seq.) is amended by inserting after section 114 (12 U.S.C. 4713) the following:

#### “SEC. 114A. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

“(a) DEFINITIONS.—In this section, the following definitions shall apply:

“(1) ELIGIBLE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term ‘eligible community development financial institution’ means a community development financial institution (as described in section 1805.201 of title 12, Code of Federal Regulations, or any successor thereto) certified by the Secretary that has applied to a qualified issuer for, or been granted by a qualified issuer, a loan under the Program.

“(2) ELIGIBLE COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSE.—The term ‘eligible community or economic development purpose’—

“(A) means any purpose described in section 108(b); and

“(B) includes the provision of community or economic development in low-income or underserved rural areas.

“(3) GUARANTEE.—The term ‘guarantee’ means a written agreement between the Secretary and a qualified issuer (or trustee), pursuant to which the Secretary ensures re-

payment of the verifiable losses of principal, interest, and call premium, if any, on notes or bonds issued by a qualified issuer to finance or refinance loans to eligible community development financial institutions.

“(4) LOAN.—The term ‘loan’ means any credit instrument that is extended under the Program for any eligible community or economic development purpose.

“(5) MASTER SERVICER.—

“(A) IN GENERAL.—The term ‘master servicer’ means any entity approved by the Secretary in accordance with subparagraph (B) to oversee the activities of servicers, as provided in subsection (f)(4).

“(B) APPROVAL CRITERIA FOR MASTER SERVICERS.—The Secretary shall approve or deny any application to become a master servicer under the Program not later than 90 days after the date on which all required information is submitted to the Secretary, based on the capacity and experience of the applicant in—

“(i) loan administration, servicing, and loan monitoring;

“(ii) managing regional or national loan intake, processing, or servicing operational systems and infrastructure;

“(iii) managing regional or national originator communication systems and infrastructure;

“(iv) developing and implementing training and other risk management strategies on a regional or national basis; and

“(v) compliance monitoring, investor relations, and reporting.

“(6) PROGRAM.—The term ‘Program’ means the guarantee Program for bonds and notes issued for eligible community or economic development purposes established under this section.

“(7) PROGRAM ADMINISTRATOR.—The term ‘Program administrator’ means an entity designated by the issuer to perform administrative duties, as provided in subsection (f)(2).

“(8) QUALIFIED ISSUER.—

“(A) IN GENERAL.—The term ‘qualified issuer’ means a community development financial institution (or any entity designated to issue notes or bonds on behalf of such community development financial institution) that meets the qualification requirements of this paragraph.

“(B) APPROVAL CRITERIA FOR QUALIFIED ISSUERS.—

“(i) IN GENERAL.—The Secretary shall approve a qualified issuer for a guarantee under the Program in accordance with the requirements of this paragraph, and such additional requirements as the Secretary may establish, by regulation.

“(ii) TERMS AND QUALIFICATIONS.—A qualified issuer shall—

“(I) have appropriate expertise, capacity, and experience, or otherwise be qualified to make loans for eligible community or economic development purposes;

“(II) provide to the Secretary—

“(aa) an acceptable statement of the proposed sources and uses of the funds; and

“(bb) a capital distribution plan that meets the requirements of subsection (c)(1); and

“(III) certify to the Secretary that the bonds or notes to be guaranteed are to be used for eligible community or economic development purposes.

“(C) DEPARTMENT OPINION; TIMING.—

“(i) DEPARTMENT OPINION.—Not later than 30 days after the date of a request by a qualified issuer for approval of a guarantee under the Program, the Secretary shall provide an opinion regarding compliance by the issuer with the requirements of the Program under this section.

“(ii) TIMING.—The Secretary shall approve or deny a guarantee under this section after

consideration of the opinion provided to the Secretary under clause (1), and in no case later than 90 days after receipt of all required information by the Secretary with respect to a request for such guarantee.

“(9) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(10) SERVICER.—The term ‘servicer’ means an entity designated by the issuer to perform various servicing duties, as provided in subsection (f)(3).

“(b) GUARANTEES AUTHORIZED.—The Secretary shall guarantee payments on bonds or notes issued by any qualified issuer, if the proceeds of the bonds or notes are used in accordance with this section to make loans to eligible community development financial institutions—

“(1) for eligible community or economic development purposes; or

“(2) to refinance loans or notes issued for such purposes.

“(c) GENERAL PROGRAM REQUIREMENTS.—

“(1) IN GENERAL.—A capital distribution plan meets the requirements of this subsection, if not less than 90 percent of the principal amount of guaranteed bonds or notes (other than costs of issuance fees) are used to make loans for any eligible community or economic development purpose, measured annually, beginning at the end of the 1-year period beginning on the issuance date of such guaranteed bonds or notes.

“(2) RELENDING ACCOUNT.—Not more than 10 percent of the principal amount of guaranteed bonds or notes, multiplied by an amount equal to the outstanding principal balance of issued notes or bonds, minus the risk-share pool amount under subsection (d), may be held in a relending account and may be made available for new eligible community or economic development purposes.

“(3) LIMITATIONS ON UNPAID PRINCIPAL BALANCES.—The proceeds of guaranteed bonds or notes under the Program may not be used to pay fees (other than costs of issuance fees), and shall be held in—

“(A) community or economic development loans;

“(B) a relending account, to the extent authorized under paragraph (2); or

“(C) a risk-share pool established under subsection (d).

“(4) REPAYMENT.—If a qualified issuer fails to meet the requirements of paragraph (1) by the end of the 90-day period beginning at the end of the annual measurement period, repayment shall be made on that portion of bonds or notes necessary to bring the bonds or notes that remain outstanding after such repayment into compliance with the 90 percent requirement of paragraph (1).

“(5) PROHIBITED USES.—The Secretary shall, by regulation—

“(A) prohibit, as appropriate, certain uses of amounts from the guarantee of a bond or note under the Program, including the use of such funds for political activities, lobbying, outreach, counseling services, or travel expenses; and

“(B) provide that the guarantee of a bond or note under the Program may not be used for salaries or other administrative costs of—

“(i) the qualified issuer; or

“(ii) any recipient of amounts from the guarantee of a bond or note.

“(d) RISK-SHARE POOL.—Each qualified issuer shall, during the term of a guarantee provided under the Program, establish a risk-share pool, capitalized by contributions from eligible community development financial institution participants an amount equal to 3 percent of the guaranteed amount outstanding on the subject notes and bonds.

“(e) GUARANTEES.—

“(1) IN GENERAL.—A guarantee issued under the Program shall—

“(A) be for the full amount of a bond or note, including the amount of principal, interest, and call premiums;

“(B) be fully assignable and transferable to the capital market, on terms and conditions that are consistent with comparable Government-guaranteed bonds, and satisfactory to the Secretary;

“(C) represent the full faith and credit of the United States; and

“(D) not exceed 30 years.

“(2) LIMITATIONS.—

“(A) ANNUAL NUMBER OF GUARANTEES.—The Secretary shall issue not more than 10 guarantees in any calendar year under the Program.

“(B) GUARANTEE AMOUNT.—The Secretary may not guarantee any amount under the Program equal to less than \$100,000,000, but the total of all such guarantees in any fiscal year may not exceed \$1,000,000,000.

“(f) SERVICING OF TRANSACTIONS.—

“(1) IN GENERAL.—To maximize efficiencies and minimize cost and interest rates, loans made under this section may be serviced by qualified Program administrators, bond servicers, and a master servicer.

“(2) DUTIES OF PROGRAM ADMINISTRATOR.—The duties of a Program administrator shall include—

“(A) approving and qualifying eligible community development financial institution applications for participation in the Program;

“(B) compliance monitoring;

“(C) bond packaging in connection with the Program; and

“(D) all other duties and related services that are customarily expected of a Program administrator.

“(3) DUTIES OF SERVICER.—The duties of a servicer shall include—

“(A) billing and collecting loan payments;

“(B) initiating collection activities on past-due loans;

“(C) transferring loan payments to the master servicing accounts;

“(D) loan administration and servicing;

“(E) systematic and timely reporting of loan performance through remittance and servicing reports;

“(F) proper measurement of annual outstanding loan requirements; and

“(G) all other duties and related services that are customarily expected of servicers.

“(4) DUTIES OF MASTER SERVICER.—The duties of a master servicer shall include—

“(A) tracking the movement of funds between the accounts of the master servicer and any other servicer;

“(B) ensuring orderly receipt of the monthly remittance and servicing reports of the servicer;

“(C) monitoring the collection comments and foreclosure actions;

“(D) aggregating the reporting and distribution of funds to trustees and investors;

“(E) removing and replacing a servicer, as necessary;

“(F) loan administration and servicing;

“(G) systematic and timely reporting of loan performance compiled from all bond servicers' reports;

“(H) proper distribution of funds to investors; and

“(I) all other duties and related services that are customarily expected of a master servicer.

“(g) FEES.—

“(1) IN GENERAL.—A qualified issuer that receives a guarantee issued under this section on a bond or note shall pay a fee to the Secretary, in an amount equal to 10 basis points of the amount of the unpaid principal of the bond or note guaranteed.

“(2) PAYMENT.—A qualified issuer shall pay the fee required under this subsection on an annual basis.

“(3) USE OF FEES.—Fees collected by the Secretary under this subsection shall be used to reimburse the Department of the Treasury for any administrative costs incurred by the Department in implementing the Program established under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to the Secretary, such sums as are necessary to carry out this section.

“(2) USE OF FEES.—To the extent that the amount of funds appropriated for a fiscal year under paragraph (1) are not sufficient to carry out this section, the Secretary may use the fees collected under subsection (g) for the cost of providing guarantees of bonds and notes under this section.

“(i) INVESTMENT IN GUARANTEED BONDS INELIGIBLE FOR COMMUNITY REINVESTMENT ACT PURPOSES.—Notwithstanding any other provision of law, any investment by a financial institution in bonds or notes guaranteed under the Program shall not be taken into account in assessing the record of such institution for purposes of the Community Reinvestment Act of 1977 (12 U.S.C. 2901).

“(j) ADMINISTRATION.—

“(1) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations to carry out this section.

“(2) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this section, the Secretary shall implement this section.

“(k) TERMINATION.—This section is repealed, and the authority provided under this section shall terminate, on September 30, 2014.”

#### SEC. 1135. TEMPORARY EXPRESS LOAN ENHANCEMENT.

(a) IN GENERAL.—Section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$350,000” and inserting “\$1,000,000”.

(b) PROSPECTIVE REPEAL.—Effective 1 year after the date of enactment of this Act, section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$1,000,000” and inserting “\$350,000”.

#### SEC. 1136. PROHIBITION ON USING TARP FUNDS OR TAX INCREASES.

(a) IN GENERAL.—Except as provided in subsection (b), nothing in section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections, shall be construed to limit the ability of Congress to appropriate funds.

(b) TARP FUNDS AND TAX INCREASES.—

(1) IN GENERAL.—Any covered amounts may not be used to carry out section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections.

(2) DEFINITION.—In this subsection, the term “covered amounts” means—

(A) the amounts made available to the Secretary of the Treasury under title I of the Emergency Economic Stabilization Act of 2008 (S.C. 5201 et seq.) to purchase (under section 101) or guarantee (under section 102) assets under that Act; and

(B) any revenue increase attributable to any amendment to the Internal Revenue Code of 1986 made during the period beginning on the date of enactment of this Act and ending on December 31, 2010.

#### Subtitle B—Small Business Trade and Exporting

##### SEC. 1201. SHORT TITLE.

This subtitle may be cited as the “Small Business Export Enhancement and International Trade Act of 2010”.

##### SEC. 1202. DEFINITIONS.

(a) DEFINITIONS.—In this subtitle—

(1) the term “Associate Administrator” means the Associate Administrator for International Trade appointed under section

22(a)(2) of the Small Business Act, as amended by this subtitle;

(2) the term "Export Assistance Center" means a one-stop shop referred to in section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8)); and

(3) the term "rural small business concern" means a small business concern located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

"(t) SMALL BUSINESS DEVELOPMENT CENTER.—In this Act, the term 'small business development center' means a small business development center described in section 21.

"(u) REGION OF THE ADMINISTRATION.—In this Act, the term 'region of the Administration' means the geographic area served by a regional office of the Administration established under section 4(a)."

(2) CONFORMING AMENDMENT.—Section 4(b)(3)(B)(x) of the Small Business Act (15 U.S.C. 633(b)(3)(B)(x)) is amended by striking "Administration district and region" and inserting "district and region of the Administration".

#### SEC. 1203. OFFICE OF INTERNATIONAL TRADE.

(a) ESTABLISHMENT.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking "SEC. 22. (a) There" and inserting the following:

##### "SEC. 22. OFFICE OF INTERNATIONAL TRADE.

"(a) ESTABLISHMENT.—

"(1) OFFICE.—There"; and

(2) in subsection (a)—

(A) in paragraph (1), as so designated, by striking the period and inserting "for the primary purposes of increasing—

"(A) the number of small business concerns that export; and

"(B) the volume of exports by small business concerns."; and

(B) by adding at the end the following:

"(2) ASSOCIATE ADMINISTRATOR.—The head of the Office shall be the Associate Administrator for International Trade, who shall be responsible to the Administrator."

(b) AUTHORITY FOR ADDITIONAL ASSOCIATE ADMINISTRATOR.—Section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)) is amended—

(1) in the fifth sentence, by striking "five Associate Administrators" and inserting "Associate Administrators"; and

(2) by adding at the end the following: "One such Associate Administrator shall be the Associate Administrator for International Trade, who shall be the head of the Office of International Trade established under section 22."

(c) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended by adding at the end the following:

"(h) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—The Administrator shall ensure that—

"(1) the responsibilities of the Administration regarding international trade are carried out by the Associate Administrator;

"(2) the Associate Administrator has sufficient resources to carry out such responsibilities; and

"(3) the Associate Administrator has direct supervision and control over—

"(A) the staff of the Office; and

"(B) any employee of the Administration whose principal duty station is an Export Assistance Center, or any successor entity."

(d) ROLE OF ASSOCIATE ADMINISTRATOR IN CARRYING OUT INTERNATIONAL TRADE POL-

ICY.—Section 2(b)(1) of the Small Business Act (15 U.S.C. 631(b)(1)) is amended in the matter preceding subparagraph (A)—

(1) by inserting "the Administrator of" before "the Small Business Administration"; and

(2) by inserting "through the Associate Administrator for International Trade, and" before "in cooperation with".

(e) IMPLEMENTATION DATE.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall appoint an Associate Administrator for International Trade under section 22(a) of the Small Business Act (15 U.S.C. 649(a)), as added by this section.

#### SEC. 1204. DUTIES OF THE OFFICE OF INTERNATIONAL TRADE.

(a) AMENDMENTS TO SECTION 22.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) TRADE DISTRIBUTION NETWORK.—The Associate Administrator, working in close cooperation with the Secretary of Commerce, the United States Trade Representative, the Secretary of Agriculture, the Secretary of State, the President of the Export-Import Bank of the United States, the President of the Overseas Private Investment Corporation, Director of the United States Trade and Development Agency, and other relevant Federal agencies, small business development centers engaged in export promotion efforts, Export Assistance Centers, regional and district offices of the Administration, the small business community, and relevant State and local export promotion programs, shall—

"(1) maintain a distribution network, using regional and district offices of the Administration, the small business development center network, networks of women's business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), and Export Assistance Centers, for programs relating to—

"(A) trade promotion;

"(B) trade finance;

"(C) trade adjustment assistance;

"(D) trade remedy assistance; and

"(E) trade data collection;

"(2) aggressively market the programs described in paragraph (1) and disseminate information, including computerized marketing data, to small business concerns on exporting trends, market-specific growth, industry trends, and international prospects for exports;

"(3) promote export assistance programs through the district and regional offices of the Administration, the small business development center network, Export Assistance Centers, the network of women's business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector; and

"(4) give preference in hiring or approving the transfer of any employee into the Office or to a position described in subsection (c)(9) to otherwise qualified applicants who are fluent in a language in addition to English, to—

"(A) accompany small business concerns on foreign trade missions; and

"(B) translate documents, interpret conversations, and facilitate multilingual transactions, including by providing referral lists for translation services, if required."

(2) in subsection (c)—

(A) by striking "(c) The Office" and inserting the following:

"(c) PROMOTION OF SALES OPPORTUNITIES.—The Associate Administrator";

(B) by redesignating paragraphs (1) through (8) as paragraphs (2) through (9), respectively;

(C) by inserting before paragraph (2), as so redesignated, the following:

"(1) establish annual goals for the Office relating to—

"(A) enhancing the exporting capability of small business concerns and small manufacturers;

"(B) facilitating technology transfers;

"(C) enhancing programs and services to assist small business concerns and small manufacturers to compete effectively and efficiently against foreign entities;

"(D) increasing the ability of small business concerns to access capital; and

"(E) disseminating information concerning Federal, State, and private programs and initiatives";

(D) in paragraph (2), as so redesignated, by striking "mechanism for" and all that follows through "(D) assisting" and inserting the following: "mechanism for—

"(A) identifying subsectors of the small business community with strong export potential;

"(B) identifying areas of demand in foreign markets;

"(C) prescreening foreign buyers for commercial and credit purposes; and

"(D) assisting";

(E) in paragraph (3), as so redesignated, by striking "assist small businesses in the formation and utilization of" and inserting "assist small business concerns in forming and using";

(F) in paragraph (4), as so redesignated—

(i) by striking "local" and inserting "district";

(ii) by striking "existing";

(iii) by striking "Small Business Development Center network" and inserting "small business development center network"; and

(iv) by striking "Small Business Development Center Program" and inserting "small business development center program";

(G) in paragraph (5), as so redesignated—

(i) in subparagraph (A), by striking "Gross State Produce" and inserting "Gross State Product";

(ii) in subparagraph (B), by striking "SIC" each place it appears and inserting "North American Industry Classification System"; and

(iii) in subparagraph (C), by striking "small businesses" and inserting "small business concerns";

(H) in paragraph (6), as so redesignated, by striking the period at the end and inserting a semicolon;

(I) in paragraph (7), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by inserting "concerns" after "small business"; and

(II) by striking "current" and inserting "up to date";

(ii) in subparagraph (A), by striking "Administration's regional offices" and inserting "regional and district offices of the Administration";

(iii) in subparagraph (B) by striking "current";

(iv) in subparagraph (C), by striking "current"; and

(v) by striking "small businesses" each place that term appears and inserting "small business concerns";

(J) in paragraph (8), as so redesignated, by striking and at the end;

(K) in paragraph (9), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by striking "full-time export development specialists to each Administration regional office and assigning"; and

(II) by striking "person in each district office. Such specialists" and inserting "individual in each district office and providing each Administration regional office with a

full-time export development specialist, who”;

(ii) in subparagraph (B)—

(I) by striking “current”; and

(II) by striking “with” and inserting “in”;

(iii) in subparagraph (D)—

(I) by striking “Administration personnel involved in granting” and inserting “personnel of the Administration involved in making”; and

(II) by striking “and” at the end;

(iv) in subparagraph (E)—

(I) by striking “small businesses’ needs” and inserting “the needs of small business concerns”; and

(II) by striking the period at the end and inserting a semicolon;

(v) by adding at the end the following:

“(F) participate, jointly with employees of the Office, in an annual training program that focuses on current small business needs for exporting; and

“(G) develop and conduct training programs for exporters and lenders, in cooperation with the Export Assistance Centers, the Department of Commerce, the Department of Agriculture, small business development centers, women’s business centers, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, and other relevant Federal agencies;”;

(vi) by striking “small businesses” each place that term appears and inserting “small business concerns”; and

(L) by adding at the end the following:

“(10) make available on the website of the Administration the name and contact information of each individual described in paragraph (9);

“(11) carry out a nationwide marketing effort using technology, online resources, training, and other strategies to promote exporting as a business development opportunity for small business concerns;

“(12) disseminate information to the small business community through regional and district offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives authorized by section 8(b)(1), State and local export promotion programs, and partners in the private sector regarding exporting trends, market-specific growth, industry trends, and prospects for exporting; and

“(13) establish and carry out training programs for the staff of the regional and district offices of the Administration and resource partners of the Administration on export promotion and providing assistance relating to exports.”;

(3) in subsection (d)—

(A) by redesignating paragraphs (1) through (5) as clauses (i) through (v), respectively, and adjusting the margins accordingly;

(B) by striking “(d) The Office” and inserting the following:

“(d) EXPORT FINANCING PROGRAMS.—

“(1) IN GENERAL.—The Associate Administrator”;

(C) by striking “To accomplish this goal, the Office shall work” and inserting the following:

“(2) TRADE FINANCE SPECIALIST.—To accomplish the goal established under paragraph (1), the Associate Administrator shall—

“(A) designate at least 1 individual within the Administration as a trade finance specialist to oversee international loan programs and assist Administration employees with trade finance issues; and

“(B) work”;

(4) in subsection (e), by striking “(e) The Office” and inserting the following:

“(e) TRADE REMEDIES.—The Associate Administrator”;

(5) by amending subsection (f) to read as follows:

“(f) REPORTING REQUIREMENT.—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

“(1) a description of the progress of the Office in implementing the requirements of this section;

“(2) a detailed account of the results of export growth activities of the Administration, including the activities of each district and regional office of the Administration, based on the performance measures described in subsection (i);

“(3) an estimate of the total number of jobs created or retained as a result of export assistance provided by the Administration and resource partners of the Administration;

“(4) for any travel by the staff of the Office, the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel; and

“(5) a description of the participation by the Office in trade negotiations.”;

(6) in subsection (g), by striking “(g) The Office” and inserting the following:

“(g) STUDIES.—The Associate Administrator”;

(7) by adding after subsection (h), as added by section 1203 of this subtitle, the following:

“(i) EXPORT AND TRADE COUNSELING.—

“(1) DEFINITION.—In this subsection—

“(A) the term ‘lead small business development center’ means a small business development center that has received a grant from the Administration; and

“(B) the term ‘lead women’s business center’ means a women’s business center that has received a grant from the Administration.

“(2) CERTIFICATION PROGRAM.—The Administrator shall establish an export and trade counseling certification program to certify employees of lead small business development centers and lead women’s business centers in providing export assistance to small business concerns.

“(3) NUMBER OF CERTIFIED EMPLOYEES.—The Administrator shall ensure that the number of employees of each lead small business development center who are certified in providing export assistance is not less than the lesser of—

“(A) 5; or

“(B) 10 percent of the total number of employees of the lead small business development center.

“(4) REIMBURSEMENT FOR CERTIFICATION.—

“(A) IN GENERAL.—Subject to the availability of appropriations, the Administrator shall reimburse a lead small business development center or a lead women’s business center for costs relating to the certification of an employee of the lead small business center or lead women’s business center in providing export assistance under the program established under paragraph (2).

“(B) LIMITATION.—The total amount reimbursed by the Administrator under subparagraph (A) may not exceed \$350,000 in any fiscal year.

“(j) PERFORMANCE MEASURES.—

“(1) IN GENERAL.—The Associate Administrator shall develop performance measures for the Administration to support export growth goals for the activities of the Office under this section that include—

“(A) the number of small business concerns that—

“(i) receive assistance from the Administration;

“(ii) had not exported goods or services before receiving the assistance described in clause (i); and

“(iii) export goods or services;

“(B) the number of small business concerns receiving assistance from the Administration that export goods or services to a market outside the United States into which the small business concern did not export before receiving the assistance;

“(C) export revenues by small business concerns assisted by programs of the Administration;

“(D) the number of small business concerns referred to an Export Assistance Center or a small business development center by the staff of the Office;

“(E) the number of small business concerns referred to the Administration by an Export Assistance Center or a small business development center; and

“(F) the number of small business concerns referred to the Department of Commerce, the Department of Agriculture, the Department of State, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the United States Trade and Development Agency by the staff of the Office, an Export Assistance Center, or a small business development center.

“(2) JOINT PERFORMANCE MEASURES.—The Associate Administrator shall develop joint performance measures for the district offices of the Administration and the Export Assistance Centers that include the number of export loans made under—

“(A) section 7(a)(16);

“(B) the Export Working Capital Program established under section 7(a)(14);

“(C) the Preferred Lenders Program, as defined in section 7(a)(2)(C)(ii); and

“(D) the export express program established under section 7(a)(34).

“(3) CONSISTENCY OF TRACKING.—The Associate Administrator, in coordination with the departments and agencies that are represented on the Trade Promotion Coordinating Committee established under section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) and the small business development center network, shall develop a system to track exports by small business concerns, including information relating to the performance measures developed under paragraph (1), that is consistent with systems used by the departments and agencies and the network.”.

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on any travel by the staff of the Office of International Trade of the Administration, during the period beginning on October 1, 2004, and ending on the date of enactment of the Act, including the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel.

## SEC. 1205. EXPORT ASSISTANCE CENTERS.

(a) EXPORT ASSISTANCE CENTERS.—Section 22 of the Small Business Act (15 U.S.C. 649), as amended by this subtitle, is amended by adding at the end the following:

“(k) EXPORT ASSISTANCE CENTERS.—

“(1) EXPORT FINANCE SPECIALISTS.—

“(A) MINIMUM NUMBER OF EXPORT FINANCE SPECIALISTS.—On and after the date that is 90 days after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that the number of export finance specialists is not less than the number of such employees so assigned on January 1, 2003.

“(B) EXPORT FINANCE SPECIALISTS ASSIGNED TO EACH REGION OF THE ADMINISTRATION.—On and after the date that is 2 years after the



date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that there are not fewer than 3 export finance specialists in each region of the Administration.

“(2) PLACEMENT OF EXPORT FINANCE SPECIALISTS.—

“(A) PRIORITY.—The Administrator shall give priority, to the maximum extent practicable, to placing employees of the Administration at any Export Assistance Center that—

“(i) had an Administration employee assigned to the Export Assistance Center before January 2003; and

“(ii) has not had an Administration employee assigned to the Export Assistance Center during the period beginning January 2003, and ending on the date of enactment of this subsection, either through retirement or reassignment.

“(B) NEEDS OF EXPORTERS.—The Administrator shall, to the maximum extent practicable, strategically assign Administration employees to Export Assistance Centers, based on the needs of exporters.

“(C) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to require the Administrator to reassign or remove an export finance specialist who is assigned to an Export Assistance Center on the date of enactment of this subsection.

“(3) GOALS.—The Associate Administrator shall work with the Department of Commerce, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation to establish shared annual goals for the Export Assistance Centers.

“(4) OVERSIGHT.—The Associate Administrator shall designate an individual within the Administration to oversee all activities conducted by Administration employees assigned to Export Assistance Centers.

“(1) DEFINITIONS.—In this section—

“(1) the term ‘Associate Administrator’ means the Associate Administrator for International Trade described in subsection (a)(2);

“(2) the term ‘Export Assistance Center’ means a one-stop shop for United States exporters established by the United States and Foreign Commercial Service of the Department of Commerce pursuant to section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8));

“(3) the term ‘export finance specialist’ means a full-time equivalent employee of the Office assigned to an Export Assistance Center to carry out the duties described in subsection (e); and

“(4) the term ‘Office’ means the Office of International Trade established under subsection (a)(1).”

(b) STUDY AND REPORT ON FILLING GAPS IN HIGH-AND-LOW-EXPORT VOLUME AREAS.—

(1) STUDY AND REPORT.—Not later than 6 months after the date of enactment of this Act, and every 2 years thereafter, the Administrator shall—

(A) conduct a study of—

- (i) the volume of exports for each State;
- (ii) the availability of export finance specialists in each State;
- (iii) the number of exporters in each State that are small business concerns;
- (iv) the percentage of exporters in each State that are small business concerns;
- (v) the change, if any, in the number of exporters that are small business concerns in each State—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and

(II) for each subsequent study, during the 10-year period ending on the date the study is commenced;

(vi) the total value of the exports in each State by small business concerns;

(vii) the percentage of the total volume of exports in each State that is attributable to small business concerns; and

(viii) the change, if any, in the percentage of the total volume of exports in each State that is attributable to small business concerns—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and

(II) for each subsequent study, during the 10-year period ending on the date the study is commenced; and

(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—

(i) the results of the study under subparagraph (A);

(ii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the greatest volume of exports, based upon the most recent data available from the Department of Commerce;

(iii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the lowest volume of exports, based upon the most recent data available from the Department of Commerce; and

(iv) such additional information as the Administrator determines is appropriate.

(2) DEFINITION.—In this subsection, the term “export finance specialist” has the meaning given that term in section 22(1) of the Small Business Act, as added by this title.

#### SEC. 1206. INTERNATIONAL TRADE FINANCE PROGRAMS.

(a) LOAN LIMITS.—

(1) TOTAL AMOUNT OUTSTANDING.—Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended by striking “\$1,750,000, of which not more than \$1,250,000” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000, of which not more than \$4,000,000”.

(2) PARTICIPATION.—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i), by striking “subparagraph (B)” and inserting “subparagraphs (B), (D), and (E)”; and

(B) in subparagraph (D), by striking “Notwithstanding subparagraph (A), in” and inserting “In”; and

(C) by adding at the end the following:

“(E) PARTICIPATION IN INTERNATIONAL TRADE LOAN.—In an agreement to participate in a loan on a deferred basis under paragraph (16), the participation by the Administration may not exceed 90 percent.”

(b) WORKING CAPITAL.—Section 7(a)(16)(A) of the Small Business Act (15 U.S.C. 636(a)(16)(A)) is amended—

(1) in the matter preceding clause (i), by striking “in—” and inserting “—”; and

(2) in clause (i)—

(A) by inserting “in” after “(i)”; and

(B) by striking “or” at the end;

(3) in clause (ii)—

(A) by inserting “in” after “(ii)”; and

(B) by striking the period at the end and inserting “, including any debt that qualifies for refinancing under any other provision of this subsection; or”; and

(4) by adding at the end the following:

“(iii) by providing working capital.”

(c) COLLATERAL.—Section 7(a)(16)(B) of the Small Business Act (15 U.S.C. 636(a)(16)(B)) is amended—

(1) by striking “Each loan” and inserting the following:

“(i) IN GENERAL.—Except as provided in clause (ii), each loan”; and

(2) by adding at the end the following:

“(ii) EXCEPTION.—A loan under this paragraph may be secured by a second lien position on the property or equipment financed by the loan or on other assets of the small business concern, if the Administrator determines the lien provides adequate assurance of the payment of the loan.”

(d) EXPORT WORKING CAPITAL PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(D), by striking “not exceed” and inserting “be”; and

(2) in paragraph (14)—

(A) by striking “(A) The Administration” and inserting the following: “EXPORT WORKING CAPITAL PROGRAM.—

“(A) IN GENERAL.—The Administrator”; and

(B) by striking “(B) When considering” and inserting the following:

“(C) CONSIDERATIONS.—When considering”; and

(C) by striking “(C) The Administration” and inserting the following:

“(D) MARKETING.—The Administrator”; and

(D) by inserting after subparagraph (A) the following:

“(B) TERMS.—

“(i) LOAN AMOUNT.—The Administrator may not guarantee a loan under this paragraph of more than \$5,000,000.

“(ii) FEES.—

“(I) IN GENERAL.—For a loan under this paragraph, the Administrator shall collect the fee assessed under paragraph (23) not more frequently than once each year.

“(II) UNTAPPED CREDIT.—The Administrator may not assess a fee on capital that is not accessed by the small business concern.”

(e) PARTICIPATION IN PREFERRED LENDERS PROGRAM.—Section 7(a)(2)(C) of the Small Business Act (15 U.S.C. 636(a)(2)(C)) is amended—

(1) by redesignating clause (ii) as clause (iii); and

(2) by inserting after clause (i) the following:

“(ii) EXPORT-IMPORT BANK LENDERS.—Any lender that is participating in the Delegated Authority Lender Program of the Export-Import Bank of the United States (or any successor to the Program) shall be eligible to participate in the Preferred Lenders Program.”

(f) EXPORT EXPRESS PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

“(35) EXPORT EXPRESS PROGRAM.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘export development activity’ includes—

“(I) obtaining a standby letter of credit when required as a bid bond, performance bond, or advance payment guarantee;

“(II) participation in a trade show that takes place outside the United States;

“(III) translation of product brochures or catalogues for use in markets outside the United States;

“(IV) obtaining a general line of credit for export purposes;

“(V) performing a service contract from buyers located outside the United States;

“(VI) obtaining transaction-specific financing associated with completing export orders;

“(VII) purchasing real estate or equipment to be used in the production of goods or services for export;

“(VIII) providing term loans or other financing to enable a small business concern, including an export trading company and an export management company, to develop a market outside the United States; and

“(IX) acquiring, constructing, renovating, modernizing, improving, or expanding a production facility or equipment to be used in the United States in the production of goods or services for export; and

“(ii) the term ‘express loan’ means a loan in which a lender uses to the maximum extent practicable the loan analyses, procedures, and documentation of the lender to provide expedited processing of the loan application.

“(B) AUTHORITY.—The Administrator may guarantee the timely payment of an express loan to a small business concern made for an export development activity.

“(C) LEVEL OF PARTICIPATION.—

“(i) MAXIMUM AMOUNT.—The maximum amount of an express loan guaranteed under this paragraph shall be \$500,000.

“(ii) PERCENTAGE.—For an express loan guaranteed under this paragraph, the Administrator shall guarantee—

“(I) 90 percent of a loan that is not more than \$350,000; and

“(II) 75 percent of a loan that is more than \$350,000 and not more than \$500,000.”

(g) ANNUAL LISTING OF EXPORT FINANCE LENDERS.—Section 7(a)(16) of the Small Business Act (15 U.S.C. 636(a)(16)) is amended by adding at the end the following:

“(F) LIST OF EXPORT FINANCE LENDERS.—

“(i) PUBLICATION OF LIST REQUIRED.—The Administrator shall publish an annual list of the banks and participating lending institutions that, during the 1-year period ending on the date of publication of the list, have made loans guaranteed by the Administration under—

“(I) this paragraph;

“(II) paragraph (14); or

“(III) paragraph (34).

“(ii) AVAILABILITY OF LIST.—The Administrator shall—

“(I) post the list published under clause (i) on the website of the Administration; and

“(II) make the list published under clause (i) available, upon request, at each district office of the Administration.”

(h) APPLICABILITY.—The amendments made by subsections (a) through (f) shall apply with respect to any loan made after the date of enactment of this Act.

#### SEC. 1207. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “eligible small business concern” means a small business concern that—

(A) has been in business for not less than the 1-year period ending on the date on which assistance is provided using a grant under this section;

(B) is operating profitably, based on operations in the United States;

(C) has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping, as determined by the Associate Administrator; and

(D) has in effect a strategic plan for exporting;

(2) the term “program” means the State Trade and Export Promotion Grant Program established under subsection (b);

(3) the term “small business concern owned and controlled by women” has the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632);

(4) the term “socially and economically disadvantaged small business concern” has the meaning given that term in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 6537(a)(4)(A)); and

(5) the term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(b) ESTABLISHMENT OF PROGRAM.—The Associate Administrator shall establish a 3-year trade and export promotion pilot program to be known as the State Trade and Export Promotion Grant Program, to make grants to States to carry out export programs that assist eligible small business concerns in—

(1) participation in a foreign trade mission;

(2) a foreign market sales trip;

(3) a subscription to services provided by the Department of Commerce;

(4) the payment of website translation fees;

(5) the design of international marketing media;

(6) a trade show exhibition;

(7) participation in training workshops; or

(8) any other export initiative determined appropriate by the Associate Administrator.

(c) GRANTS.—

(1) JOINT REVIEW.—In carrying out the program, the Associate Administrator may make a grant to a State to increase the number of eligible small business concerns in the State that export or to increase the value of the exports by eligible small business concerns in the State.

(2) CONSIDERATIONS.—In making grants under this section, the Associate Administrator may give priority to an application by a State that proposes a program that—

(A) focuses on eligible small business concerns as part of an export promotion program;

(B) demonstrates success in promoting exports by—

(i) socially and economically disadvantaged small business concerns;

(ii) small business concerns owned or controlled by women; and

(iii) rural small business concerns;

(C) promotes exports from a State that is not 1 of the 10 States with the highest percentage of exporters that are small business concerns, based upon the latest data available from the Department of Commerce; and

(D) promotes new-to-market export opportunities to the People's Republic of China for eligible small business concerns in the United States.

(3) LIMITATIONS.—

(A) SINGLE APPLICATION.—A State may not submit more than 1 application for a grant under the program in any 1 fiscal year.

(B) PROPORTION OF AMOUNTS.—The total value of grants under the program made during a fiscal year to the 10 States with the highest number of exporters that are small business concerns, based upon the latest data available from the Department of Commerce, shall be not more than 40 percent of the amounts appropriated for the program for that fiscal year.

(4) APPLICATION.—A State desiring a grant under the program shall submit an application at such time, in such manner, and accompanied by such information as the Associate Administrator may establish.

(d) COMPETITIVE BASIS.—The Associate Administrator shall award grants under the program on a competitive basis.

(e) FEDERAL SHARE.—The Federal share of the cost of an export program carried out using a grant under the program shall be—

(1) for a State that has a high export volume, as determined by the Associate Administrator, not more than 65 percent; and

(2) for a State that does not have a high export volume, as determined by the Associate Administrator, not more than 75 percent.

(f) NON-FEDERAL SHARE.—The non-Federal share of the cost of an export program carried using a grant under the program shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be de-

rived from funds from any other Federal program.

(g) REPORTS.—

(1) INITIAL REPORT.—Not later than 120 days after the date of enactment of this Act, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report, which shall include—

(A) a description of the structure of and procedures for the program;

(B) a management plan for the program; and

(C) a description of the merit-based review process to be used in the program.

(2) ANNUAL REPORTS.—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the program, which shall include—

(A) the number and amount of grants made under the program during the preceding year;

(B) a list of the States receiving a grant under the program during the preceding year, including the activities being performed with grant; and

(C) the effect of each grant on exports by eligible small business concerns in the State receiving the grant.

(h) REVIEWS BY INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Administration shall conduct a review of—

(A) the extent to which recipients of grants under the program are measuring the performance of the activities being conducted and the results of the measurements; and

(B) the overall management and effectiveness of the program.

(2) REPORT.—Not later than September 30, 2012, the Inspector General of the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the review conducted under paragraph (1).

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the program \$30,000,000 for each of fiscal years 2011, 2012, and 2013.

(j) TERMINATION.—The authority to carry out the program shall terminate 3 years after the date on which the Associate Administrator establishes the program.

#### SEC. 1208. RURAL EXPORT PROMOTION.

Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Commerce, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that contains—

(1) a description of each program of the Administration that promotes exports by rural small business concerns, including—

(A) the number of rural small business concerns served by the program;

(B) the change, if any, in the number of rural small business concerns as a result of participation in the program during the 10-year period ending on the date of enactment of this Act;

(C) the volume of exports by rural small business concerns that participate in the program; and

(D) the change, if any, in the volume of exports by rural small businesses that participate in the program during the 10-year period ending on the date of enactment of this Act;

(2) a description of the coordination between programs of the Administration and other Federal programs that promote exports by rural small business concerns;

(3) recommendations, if any, for improving the coordination described in paragraph (2);

(4) a description of any plan by the Administration to market the international trade financing programs of the Administration through lenders that—

(A) serve rural small business concerns; and

(B) are associated with financing programs of the Department of Agriculture;

(5) recommendations, if any, for improving coordination between the counseling programs and export financing programs of the Administration, in order to increase the volume of exports by rural small business concerns; and

(6) any additional information the Administrator determines is necessary.

#### **SEC. 1209. INTERNATIONAL TRADE COOPERATION BY SMALL BUSINESS DEVELOPMENT CENTERS.**

Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) by striking “(2) The Small Business Development Centers” and inserting the following:

“(2) COOPERATION TO PROVIDE INTERNATIONAL TRADE SERVICES.—

“(A) INFORMATION AND SERVICES.—The small business development centers”; and

(2) in paragraph (2)—

(A) in subparagraph (A), as so designated, by inserting “(including State trade agencies),” after “local agencies”; and

(B) by adding at the end the following:

“(B) COOPERATION WITH STATE TRADE AGENCIES AND EXPORT ASSISTANCE CENTERS.—A small business development center that counsels a small business concern on issues relating to international trade shall—

“(i) consult with State trade agencies and Export Assistance Centers to provide appropriate services to the small business concern; and

“(ii) as necessary, refer the small business concern to a State trade agency or an Export Assistance Center for further counseling or assistance.

“(C) DEFINITION.—In this paragraph, the term ‘Export Assistance Center’ has the same meaning as in section 22.”.

#### **Subtitle C—Small Business Contracting PART I—CONTRACT BUNDLING**

##### **SEC. 1311. SMALL BUSINESS ACT.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1202, is amended by adding at the end the following:

“(v) MULTIPLE AWARD CONTRACT.—In this Act, the term ‘multiple award contract’ means—

“(1) a multiple award task order contract or delivery order contract that is entered into under the authority of sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

“(2) any other indefinite delivery, indefinite quantity contract that is entered into by the head of a Federal agency with 2 or more sources pursuant to the same solicitation.”.

##### **SEC. 1312. LEADERSHIP AND OVERSIGHT.**

(a) IN GENERAL.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following:

“(q) BUNDLING ACCOUNTABILITY MEASURES.—

“(1) TEAMING REQUIREMENTS.—Each Federal agency shall include in each solicitation for any multiple award contract above the substantial bundling threshold of the Federal agency a provision soliciting bids from any responsible source, including responsible

small business concerns and teams or joint ventures of small business concerns.

“(2) POLICIES ON REDUCTION OF CONTRACT BUNDLING.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 4219(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) establish a Government-wide policy regarding contract bundling, including regarding the solicitation of teaming and joint ventures under paragraph (1); and

“(ii) require that the policy established under clause (i) be published on the website of each Federal agency.

“(B) RATIONALE FOR CONTRACT BUNDLING.—Not later than 30 days after the date on which the head of a Federal agency submits data certifications to the Administrator for Federal Procurement Policy, the head of the Federal agency shall publish on the website of the Federal agency a list and rationale for any bundled contract for which the Federal agency solicited bids or that was awarded by the Federal agency.

“(3) REPORTING.—Not later than 90 days after the date of enactment of this subsection, and every 3 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding procurement center representatives and commercial market representatives, which shall—

“(A) identify each area for which the Administration has assigned a procurement center representative or a commercial market representative;

“(B) explain why the Administration selected the areas identified under subparagraph (A); and

“(C) describe the activities performed by procurement center representatives and commercial market representatives.”.

(b) TECHNICAL CORRECTION.—Section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended by striking “Administrator of the Office of Federal Procurement Policy” each place it appears and inserting “Administrator for Federal Procurement Policy”.

(c) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report regarding the procurement center representative program of the Administration.

(2) CONTENTS.—The report submitted under paragraph (1) shall—

(A) address ways to improve the effectiveness of the procurement center representative program in helping small business concerns obtain Federal contracts;

(B) evaluate the effectiveness of procurement center representatives and commercial marketing representatives; and

(C) include recommendations, if any, on how to improve the procurement center representative program.

(d) ELECTRONIC PROCUREMENT CENTER REPRESENTATIVE.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator shall implement a 3-year pilot electronic procurement center representative program.

(2) REPORT.—Not later than 30 days after the pilot program under paragraph (1) ends, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the

House of Representatives a report regarding the pilot program.

#### **SEC. 1313. CONSOLIDATION OF CONTRACT REQUIREMENTS.**

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 44 as section 45; and

(2) by inserting after section 43 the following:

#### **“SEC. 44. CONSOLIDATION OF CONTRACT REQUIREMENTS.**

“(a) DEFINITIONS.—In this section—

“(1) the term ‘Chief Acquisition Officer’ means the employee of a Federal agency designated as the Chief Acquisition Officer for the Federal agency under section 16(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(a));

“(2) the term ‘consolidation of contract requirements’, with respect to contract requirements of a Federal agency, means a use of a solicitation to obtain offers for a single contract or a multiple award contract to satisfy 2 or more requirements of the Federal agency for goods or services that have been provided to or performed for the Federal agency under 2 or more separate contracts lower in cost than the total cost of the contract for which the offers are solicited; and

“(3) the term ‘senior procurement executive’ means an official designated under section 16(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(c)) as the senior procurement executive for a Federal agency.

“(b) POLICY.—The head of each Federal agency shall ensure that the decisions made by the Federal agency regarding consolidation of contract requirements of the Federal agency are made with a view to providing small business concerns with appropriate opportunities to participate as prime contractors and subcontractors in the procurements of the Federal agency.

“(c) LIMITATION ON USE OF ACQUISITION STRATEGIES INVOLVING CONSOLIDATION.—

“(1) IN GENERAL.—Subject to paragraph (4), the head of a Federal agency may not carry out an acquisition strategy that includes a consolidation of contract requirements of the Federal agency with a total value of more than \$2,000,000, unless the senior procurement executive or Chief Acquisition Officer for the Federal agency, before carrying out the acquisition strategy—

“(A) conducts market research;

“(B) identifies any alternative contracting approaches that would involve a lesser degree of consolidation of contract requirements;

“(C) makes a written determination that the consolidation of contract requirements is necessary and justified;

“(D) identifies any negative impact by the acquisition strategy on contracting with small business concerns; and

“(E) certifies to the head of the Federal agency that steps will be taken to include small business concerns in the acquisition strategy.

“(2) DETERMINATION THAT CONSOLIDATION IS NECESSARY AND JUSTIFIED.—

“(A) IN GENERAL.—A senior procurement executive or Chief Acquisition Officer may determine that an acquisition strategy involving a consolidation of contract requirements is necessary and justified for the purposes of paragraph (1)(C) if the benefits of the acquisition strategy substantially exceed the benefits of each of the possible alternative contracting approaches identified under paragraph (1)(B).

“(B) SAVINGS IN ADMINISTRATIVE OR PERSONNEL COSTS.—For purposes of subparagraph (A), savings in administrative or personnel costs alone do not constitute a sufficient justification for a consolidation of contract requirements in a procurement unless the expected total amount of the cost savings, as determined by the senior procurement executive or Chief Acquisition Officer, is expected to be substantial in relation to the total cost of the procurement.

“(3) BENEFITS TO BE CONSIDERED.—The benefits considered for the purposes of paragraphs (1) and (2) may include cost and, regardless of whether quantifiable in dollar amounts—

- “(A) quality;
- “(B) acquisition cycle;
- “(C) terms and conditions; and
- “(D) any other benefit.

“(4) DEPARTMENT OF DEFENSE.—

“(A) IN GENERAL.—The Department of Defense and each military department shall comply with this section until after the date described in subparagraph (C).

“(B) RULE.—After the date described in subparagraph (C), contracting by the Department of Defense or a military department shall be conducted in accordance with section 2382 of title 10, United States Code.

“(C) DATE.—The date described in this subparagraph is the date on which the Administrator determines the Department of Defense or a military department is in compliance with the Government-wide contracting goals under section 15.”

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 2382(b)(1) of title 10, United States Code, is amended by striking “An official” and inserting “Subject to section 44(c)(4), an official”.

#### SEC. 1314. SMALL BUSINESS TEAMS PILOT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “Pilot Program” means the Small Business Teaming Pilot Program established under subsection (b); and

(2) the term “eligible organization” means a well-established national organization for small business concerns with the capacity to provide assistance to small business concerns (which may be provided with the assistance of the Administrator) relating to—

- (A) customer relations and outreach;
- (B) team relations and outreach; and
- (C) performance measurement and quality assurance.

(b) ESTABLISHMENT.—The Administrator shall establish a Small Business Teaming Pilot Program for teaming and joint ventures involving small business concerns.

(c) GRANTS.—Under the Pilot Program, the Administrator may make grants to eligible organizations to provide assistance and guidance to teams of small business concerns seeking to compete for larger procurement contracts.

(d) CONTRACTING OPPORTUNITIES.—The Administrator shall work with eligible organizations receiving a grant under the Pilot Program to recommend appropriate contracting opportunities for teams or joint ventures of small business concerns.

(e) REPORT.—Not later than 1 year before the date on which the authority to carry out the Pilot Program terminates under subsection (f), the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the effectiveness of the Pilot Program.

(f) TERMINATION.—The authority to carry out the Pilot Program shall terminate 5 years after the date of enactment of this Act.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for

grants under subsection (c) \$5,000,000 for each of fiscal years 2010 through 2015.

#### PART II—SUBCONTRACTING INTEGRITY

##### SEC. 1321. SUBCONTRACTING MISREPRESENTATIONS.

Not later than 1 year after the date of enactment of this Act, the Administrator, in consultation with the Administrator for Federal Procurement Policy, shall promulgate regulations relating to, and the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to establish a policy on, subcontracting compliance relating to small business concerns, including assignment of compliance responsibilities between contracting offices, small business offices, and program offices and periodic oversight and review activities.

##### SEC. 1322. SMALL BUSINESS SUBCONTRACTING IMPROVEMENTS.

Section 8(d)(6) of the Small Business Act (15 U.S.C. 637(d)(6)) is amended—

(1) in subparagraph (E), by striking “and” at the end;

(2) in subparagraph (F), by striking the period at the end and inserting “; and”; and

(3) by adding at the end, the following:

“(G) a representation that the offeror or bidder will—

“(i) make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns used in preparing and submitting to the contracting agency the bid or proposal, in the same amount and quality used in preparing and submitting the bid or proposal; and

“(ii) provide to the contracting officer a written explanation if the offeror or bidder fails to acquire articles, equipment, supplies, services, or materials or obtain the performance of construction work as described in clause (i).”

#### PART III—ACQUISITION PROCESS

##### SEC. 1331. RESERVATION OF PRIME CONTRACT AWARDS FOR SMALL BUSINESSES.

Section 15 of the Small Business Act (15 U.S.C. 644), as amended by this Act, is amended by adding at the end the following:

“(r) MULTIPLE AWARD CONTRACTS.—Not later than 1 year after the date of enactment of this subsection, the Administrator for Federal Procurement Policy and the Administrator, in consultation with the Administrator of General Services, shall, by regulation, establish guidance under which Federal agencies may, at their discretion—

“(1) set aside part or parts of a multiple award contract for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2);

“(2) notwithstanding the fair opportunity requirements under section 2304c(b) of title 10, United States Code, and section 303J(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253j(b)), set aside orders placed against multiple award contracts for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2); and

“(3) reserve 1 or more contract awards for small business concerns under full and open multiple award procurements, including the subcategories of small business concerns identified in subsection (g)(2).”

##### SEC. 1332. MICRO-PURCHASE GUIDELINES.

Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget, in coordination with the Administrator of General Services, shall issue guidelines regarding the analysis of purchase card expenditures to

identify opportunities for achieving and accurately measuring fair participation of small business concerns in purchases in an amount not in excess of the micro-purchase threshold, as defined in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) (in this section referred to as “micro-purchases”), consistent with the national policy on small business participation in Federal procurements set forth in sections 2(a) and 15(g) of the Small Business Act (15 U.S.C. 631(a) and 644(g)), and dissemination of best practices for participation of small business concerns in micro-purchases.

##### SEC. 1333. AGENCY ACCOUNTABILITY.

Section 15(g)(2) of the Small Business Act (15 U.S.C. 644(g)(2)) is amended—

(1) by inserting “(A)” after “(2)”;

(2) by striking “Goals established” and inserting the following:

“(B) Goals established”;

(3) by striking “Whenever” and inserting the following:

“(C) Whenever”;

(4) by striking “For the purpose of” and inserting the following:

“(D) For the purpose of”;

(5) by striking “The head of each Federal agency, in attempting to attain such participation” and inserting the following:

“(E) The head of each Federal agency, in attempting to attain the participation described in subparagraph (D)”;

(6) in subparagraph (E), as so designated—

(A) by striking “(A) contracts” and inserting “(i) contracts”; and

(B) by striking “(B) contracts” and inserting “(ii) contracts”; and

(7) by adding at the end the following:

“(F)(i) Each procurement employee or program manager described in clause (i) shall communicate to the subordinates of the procurement employee or program manager the importance of achieving small business goals.

“(ii) A procurement employee or program manager described in this clause is a senior procurement executive, senior program manager, or Director of Small and Disadvantaged Business Utilization of a Federal agency having contracting authority.”

##### SEC. 1334. PAYMENT OF SUBCONTRACTORS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended by adding at the end the following:

“(12) PAYMENT OF SUBCONTRACTORS.—

“(A) DEFINITION.—In this paragraph, the term ‘covered contract’ means a contract relating to which a prime contractor is required to develop a subcontracting plan under paragraph (4) or (5).

“(B) NOTICE.—

“(i) IN GENERAL.—A prime contractor for a covered contract shall notify in writing the contracting officer for the covered contract if the prime contractor pays a reduced price to a subcontractor for goods and services upon completion of the responsibilities of the subcontractor or the payment to a subcontractor is more than 90 days past due for goods or services provided for the covered contract for which the Federal agency has paid the prime contractor.

“(ii) CONTENTS.—A prime contractor shall include the reason for the reduction in a payment to or failure to pay a subcontractor in any notice made under clause (i).

“(C) PERFORMANCE.—A contracting officer for a covered contract shall consider the unjustified failure by a prime contractor to make a full or timely payment to a subcontractor in evaluating the performance of the prime contractor.

“(D) CONTROL OF FUNDS.—If the contracting officer for a covered contract determines that a prime contractor has a history of unjustified, untimely payments to contractors, the contracting officer shall record

the identity of the contractor in accordance with the regulations promulgated under subparagraph (E).

“(E) REGULATIONS.—Not later than 1 year after the date of enactment of this paragraph, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) describe the circumstances under which a contractor may be determined to have a history of unjustified, untimely payments to subcontractors;

“(ii) establish a process for contracting officers to record the identity of a contractor described in clause (i); and

“(iii) require the identity of a contractor described in clause (i) to be incorporated in, and made publicly available through, the Federal Awardee Performance and Integrity Information System, or any successor thereto.”.

#### **SEC. 1335. REPEAL OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.**

(a) IN GENERAL.—The Business Opportunity Development Reform Act of 1988 (Public Law 100-656) is amended by striking title VII (15 U.S.C. 644 note).

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by this section—

(1) shall take effect on the date of enactment of this Act; and

(2) apply to the first full fiscal year after the date of enactment of this Act.

#### **PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY**

##### **SEC. 1341. POLICY AND PRESUMPTIONS.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1311, is amended by adding at the end the following:

“(w) PRESUMPTION.—

“(1) IN GENERAL.—In every contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant which is set aside, reserved, or otherwise classified as intended for award to small business concerns, there shall be a presumption of loss to the United States based on the total amount expended on the contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant whenever it is established that a business concern other than a small business concern willfully sought and received the award by misrepresentation.

“(2) DEEMED CERTIFICATIONS.—The following actions shall be deemed affirmative, willful, and intentional certifications of small business size and status:

“(A) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement reserved, set aside, or otherwise classified as intended for award to small business concerns.

“(B) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement which in any way encourages a Federal agency to classify the bid or proposal, if awarded, as an award to a small business concern.

“(C) Registration on any Federal electronic database for the purpose of being considered for award of a Federal grant, contract, subcontract, cooperative agreement, or cooperative research agreement, as a small business concern.

“(3) CERTIFICATION BY SIGNATURE OF RESPONSIBLE OFFICIAL.—

“(A) IN GENERAL.—Each solicitation, bid, or application for a Federal contract, subcontract, or grant shall contain a certification concerning the small business size

and status of a business concern seeking the Federal contract, subcontract, or grant.

“(B) CONTENT OF CERTIFICATIONS.—A certification that a business concern qualifies as a small business concern of the exact size and status claimed by the business concern for purposes of bidding on a Federal contract or subcontract, or applying for a Federal grant, shall contain the signature of an authorized official on the same page on which the certification is contained.

“(4) REGULATIONS.—The Administrator shall promulgate regulations to provide adequate protections to individuals and business concerns from liability under this subsection in cases of unintentional errors, technical malfunctions, and other similar situations.”.

##### **SEC. 1342. ANNUAL CERTIFICATION.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1341, is amended by adding at the end the following:

“(x) ANNUAL CERTIFICATION.—

“(1) IN GENERAL.—Each business certified as a small business concern under this Act shall annually certify its small business size and, if appropriate, its small business status, by means of a confirming entry on the Online Representations and Certifications Application database of the Administration, or any successor thereto.

“(2) REGULATIONS.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Inspector General and the Chief Counsel for Advocacy of the Administration, shall promulgate regulations to ensure that—

“(A) no business concern continues to be certified as a small business concern on the Online Representations and Certifications Application database of the Administration, or any successor thereto, without fulfilling the requirements for annual certification under this subsection; and

“(B) the requirements of this subsection are implemented in a manner presenting the least possible regulatory burden on small business concerns.”.

##### **SEC. 1343. TRAINING FOR CONTRACTING AND ENFORCEMENT PERSONNEL.**

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Acquisition Institute, in consultation with the Administrator for Federal Procurement Policy, the Defense Acquisition University, and the Administrator, shall develop courses for acquisition personnel concerning proper classification of business concerns and small business size and status for purposes of Federal contracts, subcontracts, grants, cooperative agreements, and cooperative research and development agreements.

(b) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1342, is amended by adding at the end the following:

“(y) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Attorney General, shall issue a Government-wide policy on prosecution of small business size and status fraud, which shall direct Federal agencies to appropriately publicize the policy.”.

##### **SEC. 1344. UPDATED SIZE STANDARDS.**

(a) ROLLING REVIEW.—

(1) IN GENERAL.—The Administrator shall—

(A) during the 18-month period beginning on the date of enactment of this Act, and during every 18-month period thereafter, conduct a detailed review of not less than  $\frac{1}{3}$  of the size standards for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)), which shall include holding not less than 2

public forums located in different geographic regions of the United States;

(B) after completing each review under subparagraph (A) make appropriate adjustments to the size standards established under section 3(a)(2) of the Small Business Act to reflect market conditions;

(C) make publicly available—

(i) information regarding the factors evaluated as part of each review conducted under subparagraph (A); and

(ii) information regarding the criteria used for any revised size standards promulgated under subparagraph (B); and

(D) not later than 30 days after the date on which the Administrator completes each review under subparagraph (A), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives and make publicly available a report regarding the review, including why the Administrator—

(i) used the factors and criteria described in subparagraph (C); and

(ii) adjusted or did not adjust each size standard that was reviewed under the review.

(2) COMPLETE REVIEW OF SIZE STANDARDS.—The Administrator shall ensure that each size standard for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is reviewed under paragraph (1) not less frequently than once every 5 years.

(b) RULES.—Not later than 1 year after the date of enactment of this Act, the Administrator shall promulgate rules for conducting the reviews required under subsection (a).

##### **SEC. 1345. STUDY AND REPORT ON THE MENTOR-PROTEGE PROGRAM.**

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the mentor-protége program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), and other relationships and strategic alliances pairing a larger business and a small business concern partner to gain access to Federal Government contracts, to determine whether the programs and relationships are effectively supporting the goal of increasing the participation of small business concerns in Government contracting.

(b) MATTERS TO BE STUDIED.—The study conducted under this section shall include—

(1) a review of a broad cross-section of industries; and

(2) an evaluation of—

(A) how each Federal agency carrying out a program described in subsection (a) administers and monitors the program;

(B) whether there are systems in place to ensure that the mentor-protége relationship, or similar affiliation, promotes real gain to the protégé, and is not just a mechanism to enable participants that would not otherwise qualify under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) to receive contracts under that section; and

(C) the degree to which protégé businesses become able to compete for Federal contracts without the assistance of a mentor.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of the study conducted under this section.

##### **SEC. 1346. CONTRACTING GOALS REPORTS.**

Section 15(h)(2) of the Small Business Act (15 U.S.C. 644(h)(2)) is amended by striking “submit them” and all that follows through “the following:” and inserting “submit to

the President and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives the compilation and analysis, which shall include the following:"

**SEC. 1347. SMALL BUSINESS CONTRACTING PARITY.**

(a) **DEFINITIONS.**—In this section—

(1) the terms "Administration" and "Administrator" mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the terms "HUBZone small business concern", "small business concern", "small business concern owned and controlled by service-disabled veterans", and "small business concern owned and controlled by women" have the same meanings as in section 3 of the Small Business Act (15 U.S.C. 632).

(b) **CONTRACTING IMPROVEMENTS.**—

(1) **CONTRACTING OPPORTUNITIES.**—Section 31(b)(2)(B) of the Small Business Act (15 U.S.C. 657a(b)(2)(B)) is amended by striking "shall" and inserting "may".

(2) **CONTRACTING GOALS.**—Section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)) is amended in the fourth sentence by inserting "and subcontract" after "not less than 3 percent of the total value of all prime contract".

(3) **MENTOR-PROTEGE PROGRAMS.**—The Administrator may establish mentor-protege programs for small business concerns owned and controlled by service-disabled veterans, small business concerns owned and controlled by women, and HUBZone small business concerns modeled on the mentor-protege program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(c) **SMALL BUSINESS CONTRACTING PROGRAMS PARITY.**—Section 31(b)(2) of the Small Business Act (15 U.S.C. 657a(b)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking "Notwithstanding any other provision of law—";

(2) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking "a contracting" and inserting "SOLE SOURCE CONTRACTS.—A contracting"; and

(B) in clause (iii), by striking the semicolon at the end and inserting a period;

(3) in subparagraph (B)—

(A) by striking "a contract opportunity shall" and inserting "RESTRICTED COMPETITION.—A contract opportunity may"; and

(B) by striking "; and" and inserting a period; and

(4) in subparagraph (C), by striking "not later" and inserting "APPEALS.—Not later".

**Subtitle D—Small Business Management and Counseling Assistance**

**SEC. 1401. MATCHING REQUIREMENTS UNDER SMALL BUSINESS PROGRAMS.**

(a) **MICROLOAN PROGRAM.**—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (3)(B)—

(A) by striking "As a condition" and inserting the following:

"(i) **IN GENERAL.**—Subject to clause (ii), as a condition";

(B) by striking "the Administration" and inserting "the Administrator"; and

(C) by adding at the end the following:

"(ii) **WAIVER OF NON-FEDERAL SHARE.**—

"(I) **IN GENERAL.**—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the

requirement to obtain non-Federal funds under this clause for successive fiscal years.

"(II) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

"(aa) the economic conditions affecting the intermediary;

"(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

"(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

"(dd) the performance of the intermediary.

"(III) **LIMITATIONS.**—

"(aa) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

"(bb) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter."; and

(2) in paragraph (4)(B)—

(A) by striking "As a condition" and all that follows through "the Administration shall require" and inserting the following:

"(i) **IN GENERAL.**—Subject to clause (ii), as a condition of a grant made under subparagraph (A), the Administrator shall require"; and

(B) by adding at the end the following:

"(ii) **WAIVER OF NON-FEDERAL SHARE.**—

"(I) **IN GENERAL.**—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

"(II) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

"(aa) the economic conditions affecting the intermediary;

"(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

"(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

"(dd) the performance of the intermediary.

"(III) **LIMITATIONS.**—

"(aa) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

"(bb) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.".

(b) **WOMEN'S BUSINESS CENTER PROGRAM.**—Section 29(c) of the Small Business Act (15 U.S.C. 656(c)) is amended—

(1) in paragraph (1), by striking "As a condition" and inserting "Subject to paragraph (5), as a condition"; and

(2) by adding at the end the following:

"(5) **WAIVER OF NON-FEDERAL SHARE RELATING TO TECHNICAL ASSISTANCE AND COUNSELING.**—

"(A) **IN GENERAL.**—Upon request by a recipient organization, and in accordance with this paragraph, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under this subsection for the technical assistance and counseling activities of the recipient organization carried out using financial assistance under this section for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this paragraph for successive fiscal years.

"(B) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this paragraph, the Administrator shall consider—

"(i) the economic conditions affecting the recipient organization;

"(ii) the impact a waiver under this clause would have on the credibility of the women's business center program under this section;

"(iii) the demonstrated ability of the recipient organization to raise non-Federal funds; and

"(iv) the performance of the recipient organization.

"(C) **LIMITATIONS.**—

"(i) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph if granting the waiver would undermine the credibility of the women's business center program under this section.

"(ii) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph for fiscal year 2013 or any fiscal year thereafter.".

(c) **PROSPECTIVE REPEALS.**—Effective October 1, 2012, the Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) in section 7(m) (15 U.S.C. 636(m))—

(A) in paragraph (3)(B)—

(i) by striking "INTERMEDIARY CONTRIBUTION.—" and all that follows through "Subject to clause (ii), as" and inserting "INTERMEDIARY CONTRIBUTION.—As"; and

(ii) by striking clause (ii); and

(B) in paragraph (4)(B)—

(i) by striking "CONTRIBUTION.—" and all that follows through "Subject to clause (ii), as" and inserting "CONTRIBUTION.—As"; and

(ii) by striking clause (ii); and

(2) in section 29(c) (15 U.S.C. 656(c))—

(A) in paragraph (1), by striking "Subject to paragraph (5), as" and inserting "As"; and

(B) by striking paragraph (5).

**SEC. 1402. GRANTS FOR SBDSCS.**

(a) **IN GENERAL.**—The Administrator may make grants to small business development centers under section 21 of the Small Business Act (15 U.S.C. 648) to provide targeted technical assistance to small business concerns seeking access to capital or credit, Federal procurement opportunities, energy efficiency audits to reduce energy bills, opportunities to export products or provide services to foreign customers, adopting, making innovations in, and using broadband technologies, or other assistance.

(b) **ALLOCATION.**—

(1) **IN GENERAL.**—Subject to paragraph (2), and notwithstanding the requirements of section 21(a)(4)(C)(iii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(iii)), the amount appropriated to carry out this section shall be allocated under the formula under section 21(a)(4)(C)(i) of that Act.

(2) **MINIMUM FUNDING.**—The amount made available under this section to each State shall be not less than \$325,000.

(3) **TYPES OF USES.**—Of the total amount of the grants awarded by the Administrator under this section—

(A) not less than 80 percent shall be used for counseling of small business concerns; and

(B) not more than 20 percent may be used for classes or seminars.

(c) **NO NON-FEDERAL SHARE REQUIRED.**—Notwithstanding section 21(a)(4)(A) of the Small Business Act (15 U.S.C. 648(a)(4)(A)), the recipient of a grant made under this section shall not be required to provide non-Federal matching funds.

(d) **DISTRIBUTION.**—Not later than 30 days after the date on which amounts are appropriated to carry out this section, the Administrator shall disburse the total amount appropriated.



(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator \$50,000,000 to carry out this section.

#### Subtitle E—Disaster Loan Improvement

##### SEC. 1501. AQUACULTURE BUSINESS DISASTER ASSISTANCE.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1343, is amended by adding at the end the following:

“(z) AQUACULTURE BUSINESS DISASTER ASSISTANCE.—Subject to section 18(a) and notwithstanding section 18(b)(1), the Administrator may provide disaster assistance under section 7(b)(2) to aquaculture enterprises that are small businesses.”.

#### Subtitle F—Small Business Regulatory Relief

##### SEC. 1601. REQUIREMENTS PROVIDING FOR MORE DETAILED ANALYSES.

Section 604(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by striking “succinct”;

(2) in paragraph (2), by striking “summary” each place it appears and inserting “statement”;

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(4) by inserting after paragraph (2) the following:

“(3) the response of the agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments;”.

##### SEC. 1602. OFFICE OF ADVOCACY.

(a) IN GENERAL.—Section 203 of Public Law 94-305 (15 U.S.C. 634c) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(6) carry out the responsibilities of the Office of Advocacy under chapter 6 of title 5, United States Code.”.

(b) BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking section 207 and inserting the following:

##### “SEC. 207. BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.

“(a) APPROPRIATION REQUESTS.—Each budget of the United States Government submitted by the President under section 1105 of title 31, United States Code, shall include a separate statement of the amount of appropriations requested for the Office of Advocacy of the Small Business Administration, which shall be designated in a separate account in the General Fund of the Treasury.

“(b) ADMINISTRATIVE OPERATIONS.—The Administrator of the Small Business Administration shall provide the Office of Advocacy with appropriate and adequate office space at central and field office locations, together with such equipment, operating budget, and communications facilities and services as may be necessary, and shall provide necessary maintenance services for such offices and the equipment and facilities located in such offices.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this title. Any amount appropriated under this subsection shall remain available, without fiscal year limitation, until expended.”.

#### Subtitle G—Appropriations Provisions

##### SEC. 1701. SALARIES AND EXPENSES.

(a) APPROPRIATION.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending

September 30, 2010, \$150,000,000, to remain available until September 30, 2012, for an additional amount for the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”, of which—

(1) \$50,000,000 is for grants to small business development centers authorized under section 1402;

(2) \$1,000,000 is for the costs of administering grants authorized under section 1402;

(3) \$30,000,000 is for grants to States for fiscal year 2011 to carry out export programs that assist small business concerns authorized under section 1207;

(4) \$30,000,000 is for grants to States for fiscal year 2012 to carry out export programs that assist small business concerns authorized under section 1207;

(5) \$2,500,000 is for the costs of administering grants authorized under section 1207;

(6) \$5,000,000 is for grants for fiscal year 2011 under the Small Business Teaming Pilot Program under section 1314; and

(7) \$5,000,000 is for grants for fiscal year 2012 under the Small Business Teaming Pilot Program under section 1314.

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a detailed expenditure plan for using the funds provided under subsection (a).

##### SEC. 1702. BUSINESS LOANS PROGRAM ACCOUNT.

(a) IN GENERAL.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “BUSINESS LOANS PROGRAM ACCOUNT” under the heading “SMALL BUSINESS ADMINISTRATION”—

(1) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2011 for the cost of direct loans authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(2) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2012 for the cost of direct loans authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(3) \$6,500,000, to remain available until September 30, 2012, for administrative expenses to carry out the direct loan program authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, which may be transferred to and merged with the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”; and

(4) \$15,000,000, to remain available until September 30, 2011, for the cost of guaranteed loans as authorized under section 7(a) of the Small Business Act, including the cost of modifying the loans.

(b) DEFINITION.—In this section, the term “cost” has the meaning given that term in section 502 of the Congressional Budget Act of 1974.

##### SEC. 1703. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT.

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT” under the heading “DEPARTMENT OF THE TREAS-

URY”, \$13,500,000, to remain available until September 30, 2012, for the costs of administering guarantees for bonds and notes as authorized under section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994, as added by section 1134 of this Act.

#### TITLE II—TAX PROVISIONS

##### SEC. 2001. SHORT TITLE.

This title may be cited as the “Creating Small Business Jobs Act of 2010”.

#### Subtitle A—Small Business Relief

##### PART I—PROVIDING ACCESS TO CAPITAL

##### SEC. 2011. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

(a) IN GENERAL.—Subsection (a) of section 1202 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 100 PERCENT EXCLUSION FOR STOCK ACQUIRED DURING CERTAIN PERIODS IN 2010.—In the case of qualified small business stock acquired after the date of the enactment of the Creating Small Business Jobs Act of 2010 and before January 1, 2011—

“(A) paragraph (1) shall be applied by substituting ‘100 percent’ for ‘50 percent’.

“(B) paragraph (2) shall not apply, and

“(C) paragraph (7) of section 57(a) shall not apply.”.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 1202(a) of the Internal Revenue Code of 1986 is amended—

(1) by inserting “CERTAIN PERIODS IN” before “2010” in the heading, and

(2) by striking “before January 1, 2011” and inserting “on or before the date of the enactment of the Creating Small Business Jobs Act of 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after the date of the enactment of this Act.

##### SEC. 2012. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES FOR 2010 CARRIED BACK 5 YEARS.

(a) IN GENERAL.—Section 39(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 5-YEAR CARRYBACK FOR ELIGIBLE SMALL BUSINESS CREDITS.—

“(A) IN GENERAL.—Notwithstanding subsection (d), in the case of eligible small business credits determined in the first taxable year of the taxpayer beginning in 2010—

“(i) paragraph (1) shall be applied by substituting ‘each of the 5 taxable years’ for ‘the taxable year’ in subparagraph (A) thereof, and

“(ii) paragraph (2) shall be applied—

“(I) by substituting ‘25 taxable years’ for ‘21 taxable years’ in subparagraph (A) thereof, and

“(II) by substituting ‘24 taxable years’ for ‘20 taxable years’ in subparagraph (B) thereof.

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ has the meaning given such term by section 38(c)(5)(B).”.

(b) CONFORMING AMENDMENT.—Section 39(a)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting “or the eligible small business credits” after “credit”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to credits determined in taxable years beginning after December 31, 2009.

##### SEC. 2013. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES IN 2010 NOT SUBJECT TO ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Section 38(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR ELIGIBLE SMALL BUSINESS CREDITS IN 2010.—

“(A) IN GENERAL.—In the case of eligible small business credits determined in taxable years beginning in 2010—

“(i) this section and section 39 shall be applied separately with respect to such credits, and

“(ii) in applying paragraph (1) to such credits—

“(I) the tentative minimum tax shall be treated as being zero, and

“(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the eligible small business credits).

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ means the sum of the credits listed in subsection (b) which are determined for the taxable year with respect to an eligible small business. Such credits shall not be taken into account under paragraph (2), (3), or (4).

“(C) ELIGIBLE SMALL BUSINESS.—For purposes of this subsection, the term ‘eligible small business’ means, with respect to any taxable year—

“(i) a corporation the stock of which is not publicly traded,

“(ii) a partnership, or

“(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed \$50,000,000. For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.”.

(b) TECHNICAL AMENDMENT.—Section 55(e)(5) of the Internal Revenue Code of 1986 is amended by striking “38(c)(3)(B)” and inserting “38(c)(4)(B)”.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2009, and to carrybacks of such credits.

#### SEC. 2014. TEMPORARY REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.

(a) IN GENERAL.—Subparagraph (B) of section 1374(d)(7) of the Internal Revenue Code of 1986 is amended to read as follows:

“(B) SPECIAL RULES FOR 2009, 2010, AND 2011.—No tax shall be imposed on the net recognized built-in gain of an S corporation—

“(i) in the case of any taxable year beginning in 2009 or 2010, if the 7th taxable year in the recognition period preceded such taxable year, or

“(ii) in the case of any taxable year beginning in 2011, if the 5th year in the recognition period preceded such taxable year. The preceding sentence shall be applied separately with respect to any asset to which paragraph (8) applies.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2010.

#### PART II—ENCOURAGING INVESTMENT

#### SEC. 2021. INCREASED EXPENSING LIMITATIONS FOR 2010 AND 2011; CERTAIN REAL PROPERTY TREATED AS SECTION 179 PROPERTY.

(a) INCREASED LIMITATIONS.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended—

(1) by striking “shall not exceed” and all that follows in paragraph (1) and inserting “shall not exceed—

“(A) \$250,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$500,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$25,000 in the case of taxable years beginning after 2011.”, and

(2) by striking “exceeds” and all that follows in paragraph (2) and inserting “exceeds—

“(A) \$800,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$2,000,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$200,000 in the case of taxable years beginning after 2011.”.

(b) INCLUSION OF CERTAIN REAL PROPERTY.—Section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) SPECIAL RULES FOR QUALIFIED REAL PROPERTY.—

“(1) IN GENERAL.—If a taxpayer elects the application of this subsection for any taxable year beginning in 2010 or 2011, the term ‘section 179 property’ shall include any qualified real property which is—

“(A) of a character subject to an allowance for depreciation,

“(B) acquired by purchase for use in the active conduct of a trade or business, and

“(C) not described in the last sentence of subsection (d)(1).

“(2) QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term ‘qualified real property’ means—

“(A) qualified leasehold improvement property described in section 168(e)(6),

“(B) qualified restaurant property described in section 168(e)(7) (without regard to the dates specified in subparagraph (A)(i) thereof), and

“(C) qualified retail improvement property described in section 168(e)(8) (without regard to subparagraph (E) thereof).

“(3) LIMITATION.—For purposes of applying the limitation under subsection (b)(1)(B), not more than \$250,000 of the aggregate cost which is taken into account under subsection (a) for any taxable year may be attributable to qualified real property.

“(4) CARRYOVER LIMITATION.—

“(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B), no amount attributable to qualified real property may be carried over to a taxable year beginning after 2011.

“(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C), to the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A), this title shall be applied as if no election under this section had been made with respect to such amount.

“(C) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer’s last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer’s last taxable year beginning in 2011.

“(D) ALLOCATION OF AMOUNTS.—For purposes of applying this paragraph and subsection (b)(3)(B) to any taxable year, the amount which is disallowed under subsection (b)(3)(A) for such taxable year which is attributed to qualified real property shall be the amount which bears the same ratio to the total amount so disallowed as—

“(i) the aggregate amount attributable to qualified real property placed in service during such taxable year, increased by the portion of any amount carried over to such taxable year from a prior taxable year which is attributable to such property, bears to

“(ii) the total amount of section 179 property placed in service during such taxable year, increased by the aggregate amount carried over to such taxable year from any prior taxable year.

For purposes of the preceding sentence, only section 179 property with respect to which an election was made under subsection (c)(1) (determined without regard to subparagraph (B) of this paragraph) shall be taken into account.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

#### SEC. 2022. ADDITIONAL FIRST-YEAR DEPRECIATION FOR 50 PERCENT OF THE BASIS OF CERTAIN QUALIFIED PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(1) by striking “January 1, 2011” in subparagraph (A)(iv) and inserting “January 1, 2012”, and

(2) by striking “January 1, 2010” each place it appears and inserting “January 1, 2011”.

(b) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 of the Internal Revenue Code of 1986 is amended by striking “JANUARY 1, 2010” and inserting “JANUARY 1, 2011”.

(2) The heading for clause (ii) of section 168(k)(2)(B) of such Code is amended by striking “PRE-JANUARY 1, 2010” and inserting “PRE-JANUARY 1, 2011”.

(3) Subparagraph (D) of section 168(k)(4) of such Code is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting a comma, and by adding at the end the following new clauses:

“(iv) ‘January 1, 2011’ shall be substituted for ‘January 1, 2012’ in subparagraph (A)(iv) thereof, and

“(v) ‘January 1, 2010’ shall be substituted for ‘January 1, 2011’ each place it appears in subparagraph (A) thereof.”.

(4) Subparagraph (B) of section 168(l)(5) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(5) Subparagraph (C) of section 168(n)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(6) Subparagraph (D) of section 1400L(b)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(7) Subparagraph (B) of section 1400N(d)(3) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

#### PART III—PROMOTING ENTREPRENEURSHIP

#### SEC. 2031. INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES IN 2010.

(a) START-UP EXPENDITURES.—Subsection (b) of section 195 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE FOR TAXABLE YEARS BEGINNING IN 2010.—In the case of a taxable year beginning in 2010, paragraph (1)(A)(ii) shall be applied—

“(A) by substituting ‘\$10,000’ for ‘\$5,000’, and

“(B) by substituting ‘\$60,000’ for ‘\$50,000’.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2009.

#### SEC. 2032. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES TRADE REPRESENTATIVE TO DEVELOP MARKET ACCESS OPPORTUNITIES FOR UNITED STATES SMALL- AND MEDIUM-SIZED BUSINESSES AND TO ENFORCE TRADE AGREEMENTS.

(a) IN GENERAL.—There are authorized to be appropriated to the Office of the United States Trade Representative \$5,230,000, to remain available until expended, for—

(1) analyzing and developing opportunities for businesses in the United States to access the markets of foreign countries; and

(2) enforcing trade agreements to which the United States is a party.

(b) REQUIREMENTS.—In obligating and expending the funds authorized to be appropriated under subsection (a), the United States Trade Representative shall—

(1) give preference to those initiatives that the United States Trade Representative determines will create or sustain the greatest number of jobs in the United States or result in the greatest benefit to the economy of the United States; and

(2) consider the needs of small- and medium-sized businesses in the United States with respect to—

(A) accessing the markets of foreign countries; and

(B) the enforcement of trade agreements to which the United States is a party.

#### **PART IV—PROMOTING SMALL BUSINESS FAIRNESS**

##### **SEC. 2041. LIMITATION ON PENALTY FOR FAILURE TO DISCLOSE REPORTABLE TRANSACTIONS BASED ON RESULTING TAX BENEFITS.**

(a) IN GENERAL.—Subsection (b) of section 6707A of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) AMOUNT OF PENALTY.—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amount of the penalty under subsection (a) with respect to any reportable transaction shall be 75 percent of the decrease in tax shown on the return as a result of such transaction (or which would have resulted from such transaction if such transaction were respected for Federal tax purposes).

“(2) MAXIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any reportable transaction shall not exceed—

“(A) in the case of a listed transaction, \$200,000 (\$100,000 in the case of a natural person), or

“(B) in the case of any other reportable transaction, \$50,000 (\$10,000 in the case of a natural person).

“(3) MINIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any transaction shall not be less than \$10,000 (\$5,000 in the case of a natural person).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to penalties assessed after December 31, 2006.

##### **SEC. 2042. DEDUCTION FOR HEALTH INSURANCE COSTS IN COMPUTING SELF-EMPLOYMENT TAXES IN 2010.**

(a) IN GENERAL.—Paragraph (4) of section 162(l) of the Internal Revenue Code of 1986 is amended by inserting “for taxable years beginning before January 1, 2010, or after December 31, 2010” before the period.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

#### **Subtitle B—Revenue Provisions**

#### **PART I—REDUCING THE TAX GAP**

##### **SEC. 2101. INFORMATION REPORTING FOR RENTAL PROPERTY EXPENSE PAYMENTS.**

(a) IN GENERAL.—Section 6041 of the Internal Revenue Code of 1986, as amended by section 9006 of the Patient Protection and Affordable Care Act, is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

“(h) TREATMENT OF RENTAL PROPERTY EXPENSE PAYMENTS.—

“(1) IN GENERAL.—Solely for purposes of subsection (a) and except as provided in paragraph (2), a person receiving rental income from real estate shall be considered to

be engaged in a trade or business of renting property.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply to—

“(A) any individual, including any individual who is an active member of the uniformed services or an employee of the intelligence community (as defined in section 121(d)(9)(C)(iv)), if substantially all rental income is derived from renting the principal residence (within the meaning of section 121) of such individual on a temporary basis,

“(B) any individual who receives rental income of not more than the minimal amount, as determined under regulations prescribed by the Secretary, and

“(C) any other individual for whom the requirements of this section would cause hardship, as determined under regulations prescribed by the Secretary.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments made after December 31, 2010.

##### **SEC. 2102. INCREASE IN INFORMATION RETURN PENALTIES.**

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 of the Internal Revenue Code of 1986 are each amended by striking “\$50” and inserting “\$100”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 of such Code are each amended by striking “\$250,000” and inserting “\$1,500,000”.

(b) REDUCTION WHERE CORRECTION WITHIN 30 DAYS.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(1) of the Internal Revenue Code of 1986 is amended by striking “\$15” and inserting “\$30”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 of such Code are each amended by striking “\$75,000” and inserting “\$250,000”.

(c) REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(2) of the Internal Revenue Code of 1986 is amended by striking “\$30” and inserting “\$60”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(2)(B) and (d)(1)(C) of section 6721 of such Code are each amended by striking “\$150,000” and inserting “\$500,000”.

(d) AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

(1) IN GENERAL.—Paragraph (1) of section 6721(d) of the Internal Revenue Code of 1986 is amended—

(A) by striking “\$100,000” in subparagraph (A) and inserting “\$500,000”,

(B) by striking “\$25,000” in subparagraph (B) and inserting “\$75,000”, and

(C) by striking “\$50,000” in subparagraph (C) and inserting “\$200,000”.

(2) TECHNICAL AMENDMENT.—Paragraph (1) of section 6721(d) of such Code is amended by striking “such taxable year” and inserting “such calendar year”.

(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (2) of section 6721(e) of the Internal Revenue Code of 1986 is amended by striking “\$100” and inserting “\$250”.

(f) ADJUSTMENT FOR INFLATION.—Section 6721 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d) (other than paragraph (2)(A) thereof), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by

substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”

(g) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—Section 6722 of the Internal Revenue Code of 1986 is amended to read as follows:

##### **“SEC. 6722. FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.**

“(a) IMPOSITION OF PENALTY.—

“(1) GENERAL RULE.—In the case of each failure described in paragraph (2) by any person with respect to a payee statement, such person shall pay a penalty of \$100 for each statement with respect to which such a failure occurs, but the total amount imposed on such person for all such failures during any calendar year shall not exceed \$1,500,000.

“(2) FAILURES SUBJECT TO PENALTY.—For purposes of paragraph (1), the failures described in this paragraph are—

“(A) any failure to furnish a payee statement on or before the date prescribed therefor to the person to whom such statement is required to be furnished, and

“(B) any failure to include all of the information required to be shown on a payee statement or the inclusion of incorrect information.

“(b) REDUCTION WHERE CORRECTION IN SPECIFIED PERIOD.—

“(1) CORRECTION WITHIN 30 DAYS.—If any failure described in subsection (a)(2) is corrected on or before the day 30 days after the required filing date—

“(A) the penalty imposed by subsection (a) shall be \$30 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed \$250,000.

“(2) FAILURES CORRECTED ON OR BEFORE AUGUST 1.—If any failure described in subsection (a)(2) is corrected after the 30th day referred to in paragraph (1) but on or before August 1 of the calendar year in which the required filing date occurs—

“(A) the penalty imposed by subsection (a) shall be \$60 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during the calendar year which are so corrected shall not exceed \$500,000.

“(c) EXCEPTION FOR DE MINIMIS FAILURES.—

“(1) IN GENERAL.—If—

“(A) a payee statement is furnished to the person to whom such statement is required to be furnished,

“(B) there is a failure described in subsection (a)(2)(B) (determined after the application of section 6724(a)) with respect to such statement, and

“(C) such failure is corrected on or before August 1 of the calendar year in which the required filing date occurs,

for purposes of this section, such statement shall be treated as having been furnished with all of the correct required information.

“(2) LIMITATION.—The number of payee statements to which paragraph (1) applies for any calendar year shall not exceed the greater of—

“(A) 10, or

“(B) one-half of 1 percent of the total number of payee statements required to be filed by the person during the calendar year.

“(d) LOWER LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

“(1) IN GENERAL.—If any person meets the gross receipts test of paragraph (2) with respect to any calendar year, with respect to failures during such calendar year—

“(A) subsection (a)(1) shall be applied by substituting ‘\$500,000’ for ‘\$1,500,000’,

“(B) subsection (b)(1)(B) shall be applied by substituting ‘\$75,000’ for ‘\$250,000’, and

“(C) subsection (b)(2)(B) shall be applied by substituting ‘\$200,000’ for ‘\$500,000’.

“(2) GROSS RECEIPTS TEST.—A person meets the gross receipts test of this paragraph if such person meets the gross receipts test of section 6721(d)(2).

“(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—If 1 or more failures to which subsection (a) applies are due to intentional disregard of the requirement to furnish a payee statement (or the correct information reporting requirement), then, with respect to each such failure—

“(1) subsections (b), (c), and (d) shall not apply,

“(2) the penalty imposed under subsection (a)(1) shall be \$250, or, if greater—

“(A) in the case of a payee statement other than a statement required under section 6045(b), 6041A(e) (in respect of a return required under section 6041A(b)), 6050H(d), 6050J(e), 6050K(b), or 6050L(c), 10 percent of the aggregate amount of the items required to be reported correctly, or

“(B) in the case of a payee statement required under section 6045(b), 6050K(b), or 6050L(c), 5 percent of the aggregate amount of the items required to be reported correctly, and

“(3) in the case of any penalty determined under paragraph (2)—

“(A) the \$1,500,000 limitation under subsection (a) shall not apply, and

“(B) such penalty shall not be taken into account in applying such limitation to penalties not determined under paragraph (2).

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d)(1), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2011.

#### SEC. 2103. REPORT ON TAX SHELTER PENALTIES AND CERTAIN OTHER ENFORCEMENT ACTIONS.

(a) IN GENERAL.—The Commissioner of Internal Revenue, in consultation with the Secretary of the Treasury, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on the penalties assessed by the Internal Revenue Service during the preceding year under each of the following provisions of the Internal Revenue Code of 1986:

(1) Section 6662A (relating to accuracy-related penalty on understatements with respect to reportable transactions).

(2) Section 6700(a) (relating to promoting abusive tax shelters).

(3) Section 6707 (relating to failure to furnish information regarding reportable transactions).

(4) Section 6707A (relating to failure to include reportable transaction information with return).

(5) Section 6708 (relating to failure to maintain lists of advisees with respect to reportable transactions).

(b) ADDITIONAL INFORMATION.—The report required under subsection (a) shall also include information on the following with respect to each year:

(1) Any action taken under section 330(b) of title 31, United States Code, with respect to any reportable transaction (as defined in section 6707A(c) of the Internal Revenue Code of 1986).

(2) Any extension of the time for assessment of tax enforced, or assessment of any amount under such an extension, under paragraph (10) of section 6501(c) of the Internal Revenue Code of 1986.

(c) DATE OF REPORT.—The first report required under subsection (a) shall be submitted not later than December 31, 2010.

#### SEC. 2104. APPLICATION OF LEVY TO PAYMENTS TO FEDERAL VENDORS RELATING TO PROPERTY.

(a) IN GENERAL.—Section 6331(h)(3) of the Internal Revenue Code of 1986 is amended by striking “goods or services” and inserting “property, goods, or services”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to levies issued after the date of the enactment of this Act.

#### SEC. 2105. APPLICATION OF CONTINUOUS LEVY TO TAX LIABILITIES OF CERTAIN FEDERAL CONTRACTORS.

(a) IN GENERAL.—Subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “or” at the end of paragraph (2), by inserting “or” at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

“(4) the Secretary has served a Federal contractor levy.”.

(b) FEDERAL CONTRACTOR LEVY.—Subsection (h) of section 6330 of the Internal Revenue Code of 1986 is amended—

(1) by striking all that precedes “any levy in connection with the collection” and inserting the following:

“(h) DEFINITIONS RELATED TO EXCEPTIONS.—For purposes of subsection (f)—

“(1) DISQUALIFIED EMPLOYMENT TAX LEVY.—A disqualified employment tax levy is”; and

(2) by adding at the end the following new paragraph:

“(2) FEDERAL CONTRACTOR LEVY.—A Federal contractor levy is any levy if the person whose property is subject to the levy (or any predecessor thereof) is a Federal contractor.”.

(c) CONFORMING AMENDMENT.—The heading of subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “JEOPARDY AND STATE REFUND COLLECTION” and inserting “EXCEPTIONS”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued after the date of the enactment of this Act.

#### SEC. 2106. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 of the Internal Revenue Code of 1986 is amended—

(1) by striking “If any check or money order in payment of any amount” and inserting “If any instrument in payment, by any commercially acceptable means, of any amount”; and

(2) by striking “such check” each place it appears and inserting “such instrument”.

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

## PART II—PROMOTING RETIREMENT PREPARATION

### SEC. 2111. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(e)(1) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means—

“(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

“(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

### SEC. 2112. ROLLOVERS FROM ELECTIVE DEFERRAL PLANS TO DESIGNATED ROTH ACCOUNTS.

(a) IN GENERAL.—Section 402A(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) TAXABLE ROLLOVERS TO DESIGNATED ROTH ACCOUNTS.—

“(A) IN GENERAL.—Notwithstanding sections 402(c), 403(b)(8), and 457(e)(16), in the case of any distribution to which this paragraph applies—

“(i) there shall be included in gross income any amount which would be includible were it not part of a qualified rollover contribution,

“(ii) section 72(t) shall not apply, and

“(iii) unless the taxpayer elects not to have this clause apply, any amount required to be included in gross income for any taxable year beginning in 2010 by reason of this paragraph shall be so included ratably over the 2-taxable-year period beginning with the first taxable year beginning in 2011.

Any election under clause (iii) for any distributions during a taxable year may not be changed after the due date for such taxable year.

“(B) DISTRIBUTIONS TO WHICH PARAGRAPH APPLIES.—In the case of an applicable retirement plan which includes a qualified Roth contribution program, this paragraph shall apply to a distribution from such plan other than from a designated Roth account which is contributed in a qualified rollover contribution (within the meaning of section 408A(e)) to the designated Roth account maintained under such plan for the benefit of the individual to whom the distribution is made.

“(C) COORDINATION WITH LIMIT.—Any distribution to which this paragraph applies shall not be taken into account for purposes of paragraph (1).

“(D) OTHER RULES.—The rules of subparagraphs (D), (E), and (F) of section 408A(d)(3) (as in effect for taxable years beginning after 2009) shall apply for purposes of this paragraph.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after the date of the enactment of this Act.

### PART III—CLOSING UNINTENDED LOOPHOLES

#### SEC. 2121. CRUDE TALL OIL INELIGIBLE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.

(a) IN GENERAL.—Clause (iii) of section 40(b)(6)(E) of the Internal Revenue Code of 1986, as added by the Health Care and Education Reconciliation Act of 2010, is amended—

(1) by striking “or” at the end of subclause (I),

(2) by striking the period at the end of subclause (II) and inserting “, or”,

(3) by adding at the end the following new subclause:

“(III) such fuel has an acid number greater than 25.”, and

(4) by striking “UNPROCESSED” in the heading and inserting “CERTAIN”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels sold or used on or after January 1, 2010.

### PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES

#### SEC. 2131. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 36 percentage points.

### TITLE III—SMALL BUSINESS LENDING

#### Subtitle A—Small Business Lending Fund

##### SEC. 3101. PURPOSE.

The purpose of this subtitle is to address the ongoing effects of the financial crisis on small businesses by providing temporary authority to the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses.

##### SEC. 3102. DEFINITIONS.

For purposes of this subtitle:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) APPROPRIATE FEDERAL BANKING AGENCY.—The term “appropriate Federal banking agency” has the meaning given such term under section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

(3) BANK HOLDING COMPANY.—The term “bank holding company” has the meaning given such term under section 2(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(1)).

(4) CALL REPORT.—The term “call report” means—

(A) reports of Condition and Income submitted to the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation;

(B) the Office of Thrift Supervision Thrift Financial Report;

(C) any report that is designated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Office of Thrift Supervision, as applicable, as a successor to any report referred to in subparagraph (A) or (B);

(D) reports of Condition and Income as designated through guidance developed by the Secretary, in consultation with the Director of the Community Development Financial Institutions Fund; and

(E) with respect to an eligible institution for which no report exists that is described under subparagraph (A), (B), (C), or (D), such other report or set of information as the Secretary, in consultation with the Administrator of the Small Business Administration, may prescribe.

(5) CDCI.—The term “CDCI” means the Community Development Capital Initiative created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(6) CDCI INVESTMENT.—The term “CDCI investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CDCI that has not been repaid.

(7) CDFI; COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The terms “CDFI” and “community development financial institution” have the meaning given the term “community development financial institution” under the Riegle Community Development and Regulatory Improvement Act of 1994.

(8) CDLF; COMMUNITY DEVELOPMENT LOAN FUND.—The terms “CDLF” and “community development loan fund” mean any entity that—

(A) is certified by the Department of the Treasury as a community development financial institution loan fund;

(B) is exempt from taxation under the Internal Revenue Code of 1986; and

(C) had assets less than or equal to \$10,000,000,000 as of the end of the fourth quarter of calendar year 2009.

(9) CPP.—The term “CPP” means the Capital Purchase Program created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(10) CPP INVESTMENT.—The term “CPP investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CPP that has not been repaid.

(11) ELIGIBLE INSTITUTION.—The term “eligible institution” means—

(A) any insured depository institution, which—

(i) is not controlled by a bank holding company or savings and loan holding company that is also an eligible institution;

(ii) has total assets of equal to or less than \$10,000,000,000, as reported in the call report of the insured depository institution as of the end of the fourth quarter of calendar year 2009; and

(iii) is not directly or indirectly controlled by any company or other entity that has total consolidated assets of more than \$10,000,000,000, as so reported;

(B) any bank holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the bank holding company as of the end of the fourth quarter of calendar year 2009;

(C) any savings and loan holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the savings and loan holding company as of the end of the fourth quarter of calendar year 2009; and

(D) any community development financial institution loan fund which has total assets of equal to or less than \$10,000,000,000, as reported in audited financial statements for the fiscal year of the community develop-

ment financial institution loan fund that ends in calendar year 2009.

(12) FUND.—The term “Fund” means the Small Business Lending Fund established under section 3103(a)(1).

(13) INSURED DEPOSITORY INSTITUTION.—The term “insured depository institution” has the meaning given such term under section 3(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)(2)).

(14) MINORITY-OWNED AND WOMEN-OWNED BUSINESS.—The terms “minority-owned business” and “women-owned business” shall have the meaning given the terms “minority-owned business” and “women’s business”, respectively, under section 21A(r)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441A(r)(4)).

(15) PROGRAM.—The term “Program” means the Small Business Lending Fund Program authorized under section 3103(a)(2).

(16) SAVINGS AND LOAN HOLDING COMPANY.—The term “savings and loan holding company” has the meaning given such term under section 10(a)(1)(D) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(1)(D)).

(17) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(18) SMALL BUSINESS LENDING.—

(A) IN GENERAL.—The term “small business lending” means lending, as defined by and reported in an eligible institutions’ quarterly call report, where each loan comprising such lending is one of the following types:

(i) Commercial and industrial loans.

(ii) Owner-occupied nonfarm, nonresidential real estate loans.

(iii) Loans to finance agricultural production and other loans to farmers.

(iv) Loans secured by farmland.

(B) EXCLUSION.—No loan that has an original amount greater than \$10,000,000 or that goes to a business with more than \$50,000,000 in revenues shall be included in the measure.

(C) TREATMENT OF HOLDING COMPANIES.—In the case of eligible institutions that are bank holding companies or savings and loan holding companies having one or more insured depository institution subsidiaries, small business lending shall be measured based on the combined small business lending reported in the call report of the insured depository institution subsidiaries.

(19) VETERAN-OWNED BUSINESS.—

(A) The term “veteran-owned business” means a business—

(i) more than 50 percent of the ownership or control of which is held by 1 or more veterans;

(ii) more than 50 percent of the net profit or loss of which accrues to 1 or more veterans; and

(iii) a significant percentage of senior management positions of which are held by veterans.

(B) For purposes of this paragraph, the term “veteran” has the meaning given such term in section 101(2) of title 38, United States Code.

#### SEC. 3103. SMALL BUSINESS LENDING FUND.

(a) FUND AND PROGRAM.—

(1) FUND ESTABLISHED.—There is established in the Treasury of the United States a fund to be known as the “Small Business Lending Fund”, which shall be administered by the Secretary.

(2) PROGRAMS AUTHORIZED.—The Secretary is authorized to establish the Small Business Lending Fund Program for using the Fund consistent with this subtitle.

(b) USE OF FUND.—

(1) IN GENERAL.—Subject to paragraph (2), the Fund shall be available to the Secretary, without further appropriation or fiscal year limitation, for the costs of purchases (including commitments to purchase), and modifications of such purchases, of preferred

stock and other financial instruments from eligible institutions on such terms and conditions as are determined by the Secretary in accordance with this subtitle. For purposes of this paragraph and with respect to an eligible institution, the term "other financial instruments" shall include only debt instruments for which such eligible institution is fully liable or equity equivalent capital of the eligible institution. Such debt instruments may be subordinated to the claims of other creditors of the eligible institution.

(2) **MAXIMUM PURCHASE LIMIT.**—The aggregate amount of purchases (and commitments to purchase) made pursuant to paragraph (1) may not exceed \$30,000,000,000.

(3) **PROCEEDS USED TO PAY DOWN PUBLIC DEBT.**—All funds received by the Secretary in connection with purchases made pursuant to paragraph (1), including interest payments, dividend payments, and proceeds from the sale of any financial instrument, shall be paid into the general fund of the Treasury for reduction of the public debt.

(4) **LIMITATION ON PURCHASES FROM CDLFS.**—(A) **IN GENERAL.**—Not more than 1 percent of the maximum purchase limit of the Program, pursuant to paragraph (2), may be used to make purchases from community development loan funds.

(B) **ELIGIBILITY STANDARDS.**—The Secretary, in consultation with the Community Development Financial Institutions Fund, shall develop eligibility criteria to determine the financial ability of a CDLF to participate in the Program and repay the investment. Such criteria shall include the following:

(i) Ratio of net assets to total assets is at least 20 percent.

(ii) Ratio of loan loss reserves to loans and leases 90 days or more delinquent (including loans sold with full recourse) is at least 30 percent.

(iii) Positive net income measured on a 3-year rolling average.

(iv) Operating liquidity ratio of at least 1.0 for the 4 most recent quarters and for one or both of the two preceding years.

(v) Ratio of loans and leases 90 days or more delinquent (including loans sold with full recourse) to total equity plus loan loss reserves is less than 40 percent.

(C) **REQUIREMENT TO SUBMIT AUDITED FINANCIAL STATEMENTS.**—CDLFS participating in the Program shall submit audited financial statements to the Secretary, have a clean audit opinion, and have at least 3 years of operating experience.

(c) **CREDITS TO THE FUND.**—There shall be credited to the Fund amounts made available pursuant to section 3108, to the extent provided by appropriations Acts.

(d) **TERMS.**—

(1) **APPLICATION.**—

(A) **INSTITUTIONS WITH ASSETS OF \$1,000,000,000 OR LESS.**—Eligible institutions having total assets equal to or less than \$1,000,000,000, as reported in a call report as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(B) **INSTITUTIONS WITH ASSETS OF MORE THAN \$1,000,000,000 AND LESS THAN OR EQUAL TO \$10,000,000,000.**—Eligible institutions having total assets of more than \$1,000,000,000 but less than \$10,000,000,000, as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 3 percent of risk-weighted assets, as reported in the call report immediately preceding the

date of application, less the amount of any CDCI investment and any CPP investment.

(C) **TREATMENT OF HOLDING COMPANIES.**—In the case of an eligible institution that is a bank holding company or a savings and loan holding company having one or more insured depository institution subsidiaries, total assets shall be measured based on the combined total assets reported in the call report of the insured depository institution subsidiaries as of the end of the fourth quarter of calendar year 2009 and risk-weighted assets shall be measured based on the combined risk-weighted assets of the insured depository institution subsidiaries as reported in the call report immediately preceding the date of application.

(D) **TREATMENT OF APPLICANTS THAT ARE INSTITUTIONS CONTROLLED BY HOLDING COMPANIES.**—If an eligible institution that applies to receive a capital investment under the Program is under the control of a bank holding company or a savings and loan holding company, then the Secretary may use the Fund to purchase preferred stock or other financial instruments from the top-tier bank holding company or savings and loan holding company of such eligible institution, as applicable. For purposes of this subparagraph, the term "control" with respect to a bank holding company shall have the same meaning as in section 2(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(2)). For purposes of this subparagraph, the term "control" with respect to a savings and loan holding company shall have the same meaning as in 10(a)(2) of the Home Owners' Loan Act (12 U.S.C. 1467a(a)(2)).

(E) **REQUIREMENT TO PROVIDE A SMALL BUSINESS LENDING PLAN.**—At the time that an applicant submits an application to the Secretary for a capital investment under the Program, the applicant shall deliver to the appropriate Federal banking agency, and, for applicants that are State-chartered banks, to the appropriate State banking regulator, a small business lending plan describing how the applicant's business strategy and operating goals will allow it to address the needs of small businesses in the areas it serves, as well as a plan to provide linguistically and culturally appropriate outreach, where appropriate. In the case of eligible institutions that are community development loan funds, this plan shall be submitted to the Secretary. This plan shall be confidential supervisory information.

(F) **TREATMENT OF APPLICANTS THAT ARE COMMUNITY DEVELOPMENT LOAN FUNDS.**—Eligible institutions that are community development loan funds may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of total assets, as reported in the audited financial statements for the fiscal year of the eligible institution that ends in calendar year 2009.

(2) **CONSULTATION WITH REGULATORS.**—For each eligible institution that applies to receive a capital investment under the Program, the Secretary shall—

(A) consult with the appropriate Federal banking agency or, in the case of an eligible institution that is a non-depository community development financial institution, the Community Development Financial Institutions Fund, for the eligible institution to determine whether the eligible institution may receive such capital investment;

(B) in the case of an eligible institution that is a State-chartered bank, consider any views received from the State banking regulator of the State of the eligible institution regarding the financial condition of the eligible institution; and

(C) in the case of a community development financial institution loan fund, consult with the Community Development Financial Institutions Fund.

(3) **INELIGIBILITY OF INSTITUTIONS ON FDIC PROBLEM BANK LIST.**—

(A) **IN GENERAL.**—An eligible institution may not receive any capital investment under the Program if—

(i) such institution is on the FDIC problem bank list; or

(ii) such institution has been removed from the FDIC problem bank list for less than 90 days.

(B) **CONSTRUCTION.**—Nothing in subparagraph (A) shall be construed as limiting the discretion of the Secretary to deny the application of an eligible institution that is not on the FDIC problem bank list.

(C) **FDIC PROBLEM BANK LIST DEFINED.**—For purposes of this subparagraph, the term "FDIC problem bank list" means the list of institutions with a current rating of 4 or 5 under the Uniform Financial Institutions Rating System, or such other list designated by the Federal Deposit Insurance Corporation.

(4) **INCENTIVES TO LEND.**—

(A) **REQUIREMENTS ON PREFERRED STOCK AND OTHER FINANCIAL INSTRUMENTS.**—Any preferred stock or other financial instrument issued to Treasury by an eligible institution receiving a capital investment under the Program shall provide that—

(i) the rate at which dividends or interest are payable shall be 5 percent per annum initially;

(ii) within the first 2 years after the date of the capital investment under the Program, the rate may be adjusted based on the amount of an eligible institution's small business lending. Changes in the amount of small business lending shall be measured against the average amount of small business lending reported by the eligible institution in its call reports for the 4 full quarters immediately preceding the date of enactment of this Act, minus adjustments from each quarterly balance in respect of—

(I) net loan charge offs with respect to small business lending; and

(II) gains realized by the eligible institution resulting from mergers, acquisitions or purchases of loans after origination and syndication; which adjustments shall be determined in accordance with guidance promulgated by the Secretary; and

(iii) during any calendar quarter during the initial 2-year period referred to in clause (ii), an institution's rate shall be adjusted to reflect the following schedule, based on that institution's change in the amount of small business lending relative to the baseline—

(I) if the amount of small business lending has increased by less than 2.5 percent, the dividend or interest rate shall be 5 percent;

(II) if the amount of small business lending has increased by 2.5 percent or greater, but by less than 5.0 percent, the dividend or interest rate shall be 4 percent;

(III) if the amount of small business lending has increased by 5.0 percent or greater, but by less than 7.5 percent, the dividend or interest rate shall be 3 percent;

(IV) if the amount of small business lending has increased by 7.5 percent or greater, and but by less than 10.0 percent, the dividend or interest rate shall be 2 percent; or

(V) if the amount of small business lending has increased by 10 percent or greater, the dividend or interest rate shall be 1 percent.

(B) **BASIS OF INITIAL RATE.**—The initial dividend or interest rate shall be based on call report data published in the quarter immediately preceding the date of the capital investment under the Program.

(C) **TIMING OF RATE ADJUSTMENTS.**—Any rate adjustment shall occur in the calendar quarter following the publication of call report data, such that the rate based on call report data from any one calendar quarter,



which is published in the first following calendar quarter, shall be adjusted in that first following calendar quarter and payable in the second following quarter.

(D) **RATE FOLLOWING INITIAL 2-YEAR PERIOD.**—Generally, the rate based on call report data from the eighth calendar quarter after the date of the capital investment under the Program shall be payable until the expiration of the 4½-year period that begins on the date of the investment. In the case where the amount of small business lending has remained the same or decreased relative to the institution's baseline in the eighth quarter after the date of the capital investment under the Program, the rate shall be 7 percent until the expiration of the 4½-year period that begins on the date of the investment.

(E) **RATE FOLLOWING INITIAL 4½-YEAR PERIOD.**—The dividend or interest rate paid on any preferred stock or other financial instrument issued by an eligible institution that receives a capital investment under the Program shall increase to 9 percent at the end of the 4½-year period that begins on the date of the capital investment under the Program.

(F) **LIMITATION ON RATE REDUCTIONS WITH RESPECT TO CERTAIN AMOUNT.**—The reduction in the dividend or interest rate payable to Treasury by any eligible institution shall be limited such that the rate reduction shall not apply to a dollar amount of the investment made by Treasury that is greater than the dollar amount increase in the amount of small business lending realized under this program. The Secretary may issue guidelines that will apply to new capital investments limiting the amount of capital available to eligible institutions consistent with this limitation.

(G) **RATE ADJUSTMENTS FOR S CORPORATION.**—Before making a capital investment in an eligible institution that is an S corporation or a corporation organized on a mutual basis, the Secretary may adjust the dividend or interest rate on the financial instrument to be issued to the Secretary, from the dividend or interest rate that would apply under subparagraphs (A) through (F), to take into account any differential tax treatment of securities issued by such eligible institution. For purpose of this subparagraph, the term "S corporation" has the same meaning as in section 1361(a) of the Internal Revenue Code of 1986.

(H) **REPAYMENT DEADLINE.**—The capital investment received by an eligible institution under the Program shall be evidenced by preferred stock or other financial instrument that—

(i) includes, as a term and condition, that the capital investment will—

(I) be repaid not later than the end of the 10-year period beginning on the date of the capital investment under the Program; or

(II) at the end of such 10-year period, be subject to such additional terms as the Secretary shall prescribe, which shall include a requirement that the stock or instrument shall carry the highest dividend or interest rate payable; and

(ii) provides that the term and condition described under clause (i) shall not apply if the application of that term and condition would adversely affect the capital treatment of the stock or financial instrument under current or successor applicable capital provisions compared to a capital instrument with identical terms other than the term and condition described under clause (i).

(I) **REQUIREMENTS ON FINANCIAL INSTRUMENTS ISSUED BY A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND.**—Any equity equivalent capital issued to the Treasury by a community development loan fund receiving a capital investment under the Program shall provide that the rate at which

interest is payable shall be 2 percent per annum for 8 years. After 8 years, the rate at which interest is payable shall be 9 percent.

(5) **ADDITIONAL INCENTIVES TO REPAY.**—The Secretary may, by regulation or guidance issued under section 3104(9), establish repayment incentives in addition to the incentive in paragraph (4)(E) that will apply to new capital investments in a manner that the Secretary determines to be consistent with the purposes of this subtitle.

(6) **CAPITAL PURCHASE PROGRAM REFINANCE.**—

(A) **IN GENERAL.**—The Secretary shall, in a manner that the Secretary determines to be consistent with the purposes of this subtitle, issue regulations and other guidance to permit eligible institutions to refinance securities issued to Treasury under the CDCI and the CPP for securities to be issued under the Program.

(B) **PROHIBITION ON PARTICIPATION BY NON-PAYING CPP PARTICIPANTS.**—Subparagraph (A) shall not apply to any eligible institution that has missed more than one dividend payment due under the CPP. For purposes of this subparagraph, a CPP dividend payment that is submitted within 60 days of the due date of such payment shall not be considered a missed dividend payment.

(7) **OUTREACH TO MINORITIES, WOMEN, AND VETERANS.**—The Secretary shall require eligible institutions receiving capital investments under the Program to provide linguistically and culturally appropriate outreach and advertising in the applicant pool describing the availability and application process of receiving loans from the eligible institution that are made possible by the Program through the use of print, radio, television or electronic media outlets which target organizations, trade associations, and individuals that—

(A) represent or work within or are members of minority communities;

(B) represent or work with or are women; and

(C) represent or work with or are veterans.

(8) **ADDITIONAL TERMS.**—The Secretary may, by regulation or guidance issued under section 3104(9), make modifications that will apply to new capital investments in order to manage risks associated with the administration of the Fund in a manner consistent with the purposes of this subtitle.

(9) **MINIMUM UNDERWRITING STANDARDS.**—The appropriate Federal banking agency for an eligible institution that receives funds under the Program shall within 60 days issue guidance regarding prudent underwriting standards that must be used for loans made by the eligible institution using such funds..

#### **SEC. 3104. ADDITIONAL AUTHORITIES OF THE SECRETARY.**

The Secretary may take such actions as the Secretary deems necessary to carry out the authorities in this subtitle, including, without limitation, the following:

(1) The Secretary may use the services of any agency or instrumentality of the United States or component thereof on a reimbursable basis, and any such agency or instrumentality or component thereof is authorized to provide services as requested by the Secretary using all authorities vested in or delegated to that agency, instrumentality, or component.

(2) The Secretary may enter into contracts, including contracts for services authorized by section 3109 of title 5, United States Code.

(3) The Secretary may designate any bank, savings association, trust company, security broker or dealer, asset manager, or investment adviser as a financial agent of the Federal Government and such institution shall perform all such reasonable duties related to this subtitle as financial agent of the Fed-

eral Government as may be required. The Secretary shall have authority to amend existing agreements with financial agents, entered into during the 2-year period before the date of enactment of this Act, to perform reasonable duties related to this subtitle.

(4) The Secretary may exercise any rights received in connection with any preferred stock or other financial instruments or assets purchased or acquired pursuant to the authorities granted under this subtitle.

(5) Subject to section 3103(b)(3), the Secretary may manage any assets purchased under this subtitle, including revenues and portfolio risks therefrom.

(6) The Secretary may sell, dispose of, transfer, exchange or enter into securities loans, repurchase transactions, or other financial transactions in regard to, any preferred stock or other financial instrument or asset purchased or acquired under this subtitle, upon terms and conditions and at a price determined by the Secretary.

(7) The Secretary may manage or prohibit conflicts of interest that may arise in connection with the administration and execution of the authorities provided under this subtitle.

(8) The Secretary may establish and use vehicles, subject to supervision by the Secretary, to purchase, hold, and sell preferred stock or other financial instruments and issue obligations.

(9) The Secretary may, in consultation with the Administrator of the Small Business Administration, issue such regulations and other guidance as may be necessary or appropriate to define terms or carry out the authorities or purposes of this subtitle.

#### **SEC. 3105. CONSIDERATIONS.**

In exercising the authorities granted in this subtitle, the Secretary shall take into consideration—

(1) increasing the availability of credit for small businesses;

(2) providing funding to minority-owned eligible institutions and other eligible institutions that serve small businesses that are minority-, veteran-, and women-owned and that also serve low- and moderate-income, minority, and other underserved or rural communities;

(3) protecting and increasing American jobs;

(4) increasing the opportunity for small business development in areas with high unemployment rates that exceed the national average;

(5) ensuring that all eligible institutions may apply to participate in the program established under this subtitle, without discrimination based on geography;

(6) providing transparency with respect to use of funds provided under this subtitle;

(7) minimizing the cost to taxpayers of exercising the authorities;

(8) promoting and engaging in financial education to would-be borrowers; and

(9) providing funding to eligible institutions that serve small businesses directly affected by the discharge of oil arising from the explosion on and sinking of the mobile offshore drilling unit Deepwater Horizon and small businesses in communities that have suffered negative economic effects as a result of that discharge with particular consideration to States along the coast of the Gulf of Mexico.

#### **SEC. 3106. REPORTS.**

The Secretary shall provide to the appropriate committees of Congress—

(1) within 7 days of the end of each month commencing with the first month in which transactions are made under the Program, a written report describing all of the transactions made during the reporting period pursuant to the authorities granted under this subtitle;

(2) after the end of March and the end of September, commencing September 30, 2010, a written report on all projected costs and liabilities, all operating expenses, including compensation for financial agents, and all transactions made by the Fund, which shall include participating institutions and amounts each institution has received under the Program; and

(3) within 7 days of the end of each calendar quarter commencing with the first calendar quarter in which transactions are made under the Program, a written report detailing how eligible institutions participating in the Program have used the funds such institutions received under the Program.

#### SEC. 3107. OVERSIGHT AND AUDITS.

(a) INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the Program through the Office of Small Business Lending Fund Program Oversight established under subsection (b).

(b) OFFICE OF SMALL BUSINESS LENDING FUND PROGRAM OVERSIGHT.—

(1) ESTABLISHMENT.—There is hereby established within the Office of the Inspector General of the Department of the Treasury a new office to be named the “Office of Small Business Lending Fund Program Oversight” to provide oversight of the Program.

(2) LEADERSHIP.—The Inspector General shall appoint a Special Deputy Inspector General for SBLF Program Oversight to lead the Office, with commensurate staff, who shall report directly to the Inspector General and who shall be responsible for the performance of all auditing and investigative activities relating to the Program.

(3) REPORTING.—

(A) IN GENERAL.—The Inspector General shall issue a report no less than two times a year to the Congress and the Secretary devoted to the oversight provided by the Office, including any recommendations for improvements to the Program.

(B) RECOMMENDATIONS.—With respect to any deficiencies identified in a report under subparagraph (A), the Secretary shall either—

(i) take actions to address such deficiencies; or

(ii) certify to the appropriate committees of Congress that no action is necessary or appropriate.

(4) COORDINATION.—The Inspector General, in maximizing the effectiveness of the Office, shall work with other Offices of Inspector General, as appropriate, to minimize duplication of effort and ensure comprehensive oversight of the Program.

(5) TERMINATION.—The Office shall terminate at the end of the 6-month period beginning on the date on which all capital investments are repaid under the Program or the date on which the Secretary determines that any remaining capital investments will not be repaid.

(6) DEFINITIONS.—For purposes of this subsection:

(A) OFFICE.—The term “Office” means the Office of Small Business Lending Fund Program Oversight established under paragraph (1).

(B) INSPECTOR GENERAL.—The term “Inspector General” means the Inspector General of the Department of the Treasury.

(c) GAO AUDIT.—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(d) REQUIRED CERTIFICATIONS.—

(1) ELIGIBLE INSTITUTION CERTIFICATION.—Each eligible institution that participates in

the Program must certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in 31 U.S.C. 5312(a)(2) and (c)(1)(A), to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) LOAN RECIPIENTS.—With respect to funds received by an eligible institution under the Program, any business receiving a loan from the eligible institution using such funds after the date of the enactment of this Act shall certify to such eligible institution that the principals of such business have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(e) PROHIBITION ON PORNOGRAPHY.—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

#### SEC. 3108. CREDIT REFORM; FUNDING.

(a) CREDIT REFORM.—The cost of purchases of preferred stock and other financial instruments made as capital investments under this subtitle shall be determined as provided under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(b) FUNDS MADE AVAILABLE.—There are hereby appropriated, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary to pay the costs of \$30,000,000,000 of capital investments in eligible institutions, including the costs of modifying such investments, and reasonable costs of administering the program of making, holding, managing, and selling the capital investments.

#### SEC. 3109. TERMINATION AND CONTINUATION OF AUTHORITIES.

(a) TERMINATION OF INVESTMENT AUTHORITY.—The authority to make capital investments in eligible institutions, including commitments to purchase preferred stock or other instruments, provided under this subtitle shall terminate 1 year after the date of enactment of this Act.

(b) CONTINUATION OF OTHER AUTHORITIES.—The authorities of the Secretary under section 3104 shall not be limited by the termination date in subsection (a).

#### SEC. 3110. PRESERVATION OF AUTHORITY.

Nothing in this subtitle may be construed to limit the authority of the Secretary under any other provision of law.

#### SEC. 3111. ASSURANCES.

(a) SMALL BUSINESS LENDING FUND SEPARATE FROM TARP.—The Small Business Lending Fund Program is established as separate and distinct from the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008. An institution shall not, by virtue of a capital investment under the Small Business Lending Fund Program, be considered a recipient of the Troubled Asset Relief Program.

(b) CHANGE IN LAW.—If, after a capital investment has been made in an eligible institution under the Program, there is a change

in law that modifies the terms of the investment or program in a materially adverse respect for the eligible institution, the eligible institution may, after consultation with the appropriate Federal banking agency for the eligible institution, repay the investment without impediment.

#### SEC. 3112. STUDY AND REPORT WITH RESPECT TO WOMEN-OWNED, VETERAN-OWNED, AND MINORITY-OWNED BUSINESSES.

(a) STUDY.—The Secretary shall conduct a study of the impact of the Program on women-owned businesses, veteran-owned businesses, and minority-owned businesses.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted pursuant to subsection (a). To the extent possible, the Secretary shall disaggregate the results of such study by ethnic group and gender.

(c) INFORMATION PROVIDED TO THE SECRETARY.—Eligible institutions that participate in the Program shall provide the Secretary with such information as the Secretary may require to carry out the study required by this section.

#### SEC. 3113. SENSE OF CONGRESS.

It is the sense of Congress that the Federal Deposit Insurance Corporation and other bank regulators are sending mixed messages to banks regarding regulatory capital requirements and lending standards, which is a contributing cause of decreased small business lending and increased regulatory uncertainty at community banks.

#### Subtitle B—State Small Business Credit Initiative

#### SEC. 3201. SHORT TITLE.

This subtitle may be cited as the “State Small Business Credit Initiative Act of 2010”.

#### SEC. 3202. DEFINITIONS.

In this subtitle, the following definitions shall apply:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) APPROPRIATE FEDERAL BANKING AGENCY.—The term “appropriate Federal banking agency” means—

(A) has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)); and

(B) includes the National Credit Union Administration Board in the case of any credit union the deposits of which are insured in accordance with the Federal Credit Union Act.

(3) ENROLLED LOAN.—The term “enrolled loan” means a loan made by a financial institution lender that is enrolled by a participating State in an approved State capital access program in accordance with this subtitle.

(4) FEDERAL CONTRIBUTION.—The term “Federal contribution” means the portion of the contribution made by a participating State to, or for the account of, an approved State program that is made with Federal funds allocated to the State by the Secretary under section 3203.

(5) FINANCIAL INSTITUTION.—The term “financial institution” means any insured depository institution, insured credit union, or

community development financial institution, as those terms are each defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702)

(6) **PARTICIPATING STATE.**—The term “participating State” means any State that has been approved for participation in the Program under section 3204.

(7) **PROGRAM.**—The term “Program” means the State Small Business Credit Initiative established under this subtitle.

(8) **QUALIFYING LOAN OR SWAP FUNDING FACILITY.**—The term “qualifying loan or swap funding facility” means a contractual arrangement between a participating State and a private financial entity under which—

(A) the participating State delivers funds to the entity as collateral;

(B) the entity provides funding from the arrangement back to the participating State; and

(C) the full amount of resulting funding from the arrangement, less any fees and other costs of the arrangement, is contributed to, or for the account of, an approved State program.

(9) **RESERVE FUND.**—The term “reserve fund” means a fund, established by a participating State, dedicated to a particular financial institution lender, for the purposes of—

(A) depositing all required premium charges paid by the financial institution lender and by each borrower receiving a loan under an approved State program from that financial institution lender;

(B) depositing contributions made by the participating State, including State contributions made with Federal contributions; and

(C) covering losses on enrolled loans by disbursing accumulated funds.

(10) **STATE.**—The term “State” means—

(A) a State of the United States;

(B) the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of Northern Mariana Islands, Guam, American Samoa, and the United States Virgin Islands;

(C) when designated by a State of the United States, a political subdivision of that State that the Secretary determines has the capacity to participate in the Program; and

(D) under the circumstances described in section 3204(d), a municipality of a State of the United States to which the Secretary has given a special permission under section 3204(d).

(11) **STATE CAPITAL ACCESS PROGRAM.**—The term “State capital access program” means a program of a State that—

(A) uses public resources to promote private access to credit; and

(B) meets the eligibility criteria in section 3205(c).

(12) **STATE OTHER CREDIT SUPPORT PROGRAM.**—The term “State other credit support program” means—

(A) means a program of a State that—

(i) uses public resources to promote private access to credit;

(ii) is not a State capital access program; and

(iii) meets the eligibility criteria in section 3206(c); and

(B) includes, collateral support programs, loan participation programs, State-run venture capital fund programs, and credit guarantee programs.

(13) **STATE PROGRAM.**—The term “State program” means a State capital access program or a State other credit support program.

(14) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

### SEC. 3203. FEDERAL FUNDS ALLOCATED TO STATES.

(a) **PROGRAM ESTABLISHED; PURPOSE.**—There is established the State Small Business Credit Initiative, to be administered by the Secretary. Under the Program, the Secretary shall allocate Federal funds to participating States and make the allocated funds available to the participating States as provided in this section for the uses described in this section.

#### (b) ALLOCATION FORMULA.—

(1) **IN GENERAL.**—Not later than 30 days after the date of enactment of this Act, the Secretary shall allocate Federal funds to participating States so that each State is eligible to receive an amount equal to the average of the respective amounts that the State—

(A) would receive under the 2009 allocation, as determined under paragraph (2); and

(B) would receive under the 2010 allocation, as determined under paragraph (3).

#### (2) 2009 ALLOCATION FORMULA.—

(A) **IN GENERAL.**—The Secretary shall determine the 2009 allocation by allocating Federal funds among the States in the proportion that each such State’s 2008 State employment decline bears to the aggregate of the 2008 State employment declines for all States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2008 STATE EMPLOYMENT DECLINE DEFINED.**—In this paragraph and with respect to a State, the term “2008 State employment decline” means the excess (if any) of—

(i) the number of individuals employed in such State determined for December 2007; over

(ii) the number of individuals employed in such State determined for December 2008.

#### (3) 2010 ALLOCATION FORMULA.—

(A) **IN GENERAL.**—The Secretary shall determine the 2010 allocation by allocating Federal funds among the States in the proportion that each such State’s 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2009 UNEMPLOYMENT NUMBER DEFINED.**—In this paragraph and with respect to a State, the term “2009 unemployment number” means the number of individuals within such State who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

(c) **AVAILABILITY OF ALLOCATED AMOUNT.**—The amount allocated by the Secretary to each participating State under subsection (b) shall be made available to the State as follows:

(1) **ALLOCATED AMOUNT GENERALLY TO BE AVAILABLE TO STATE IN ONE-THIRDS.**—

(A) **IN GENERAL.**—The Secretary shall—

(i) apportion the participating State’s allocated amount into thirds;

(ii) transfer to the participating State the first  $\frac{1}{3}$  when the Secretary approves the State for participation under section 3204; and

(iii) transfer to the participating State each successive  $\frac{1}{3}$  when the State has certified to the Secretary that it has expended, transferred, or obligated 80 percent of the last transferred  $\frac{1}{3}$  for Federal contributions to, or for the account of, State programs.

(B) **AUTHORITY TO WITHHOLD PENDING AUDIT.**—The Secretary may withhold the transfer of any successive  $\frac{1}{3}$  pending results of a financial audit.

#### (C) INSPECTOR GENERAL AUDITS.—

(i) **IN GENERAL.**—The Inspector General of the Department of the Treasury shall carry

out an audit of the participating State’s use of allocated Federal funds transferred to the State.

(ii) **RECOUPMENT OF MISUSED TRANSFERRED FUNDS REQUIRED.**—The allocation agreement between the Secretary and the participating State shall provide that the Secretary shall recoup any allocated Federal funds transferred to the participating State if the results of the an audit include a finding that there was an intentional or reckless misuse of transferred funds by the State.

(iii) **PENALTY FOR MISSTATEMENT.**—Any participating State that is found to have intentionally misstated any report issued to the Secretary under the Program shall be ineligible to receive any additional funds under the Program. Funds that had been allocated or that would otherwise have been allocated to such participating State shall be paid into the general fund of the Treasury for reduction of the public debt.

(iv) **MUNICIPALITIES.**—In this subparagraph, the term “participating State” shall include a municipality given special permission to participate in the Program, under section 3204(d).

(D) **EXCEPTION.**—The Secretary may, in the Secretary’s discretion, transfer the full amount of the participating State’s allocated amount to the State in a single transfer if the participating State applies to the Secretary for approval to use the full amount of the allocation as collateral for a qualifying loan or swap funding facility.

(2) **TRANSFERRED AMOUNTS.**—Each amount transferred to a participating State under this section shall remain available to the State until used by the State as permitted under paragraph (3).

(3) **USE OF TRANSFERRED FUNDS.**—Each participating State may use funds transferred to it under this section only—

(A) for making Federal contributions to, or for the account of, an approved State program;

(B) as collateral for a qualifying loan or swap funding facility;

(C) in the case of the first  $\frac{1}{3}$  transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 5 percent of that first  $\frac{1}{3}$ ; or

(D) in the case of each successive  $\frac{1}{3}$  transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 3 percent of that successive  $\frac{1}{3}$ .

(4) **TERMINATION OF AVAILABILITY OF AMOUNTS NOT TRANSFERRED WITHIN 2 YEARS OF PARTICIPATION.**—Any portion of a participating State’s allocated amount that has not been transferred to the State under this section by the end of the 2-year period beginning on the date that the Secretary approves the State for participation may be deemed by the Secretary to be no longer allocated to the State and no longer available to the State and shall be returned to the General Fund of the Treasury.

(5) **TRANSFERRED AMOUNTS NOT ASSISTANCE.**—The amounts transferred to a participating State under this section shall not be considered assistance for purposes of subtitle V of title 31, United States Code.

#### (6) DEFINITIONS.—In this section—

(A) the term “allocated amount” means the total amount of Federal funds allocated by the Secretary under subsection (b) to the participating State; and

(B) the term “ $\frac{1}{3}$ ” means—

(i) in the case of the first  $\frac{1}{3}$  and second  $\frac{1}{3}$ , an amount equal to 33 percent of a participating State’s allocated amount; and

(ii) in the case of the last  $\frac{1}{3}$ , an amount equal to 34 percent of a participating State’s allocated amount.

**SEC. 3204. APPROVING STATES FOR PARTICIPATION.**

(a) **APPLICATION.**—Any State may apply to the Secretary for approval to be a participating State under the Program and to be eligible for an allocation of Federal funds under the Program.

(b) **GENERAL APPROVAL CRITERIA.**—The Secretary shall approve a State to be a participating State, if—

(1) a specific department, agency, or political subdivision of the State has been designated to implement a State program and participate in the Program;

(2) all legal actions necessary to enable such designated department, agency, or political subdivision to implement a State program and participate in the Program have been accomplished;

(3) the State has filed an application with the Secretary for approval of a State capital access program under section 3205 or approval as a State other credit support program under section 3206, in each case within the time period provided in the respective section; and

(4) the State and the Secretary have executed an allocation agreement that—

(A) conforms to the requirements of this subtitle;

(B) ensures that the State program complies with such national standards as are established by the Secretary under section 3209(a)(2);

(C) sets forth internal control, compliance, and reporting requirements as established by the Secretary, and such other terms and conditions necessary to carry out the purposes of this subtitle, including an agreement by the State to allow the Secretary to audit State programs;

(D) requires that the State program be fully positioned, within 90 days of the State's execution of the allocation agreement with the Secretary, to act on providing the kind of credit support that the State program was established to provide; and

(E) includes an agreement by the State to deliver to the Secretary, and update annually, a schedule describing how the State intends to apportion among its State programs the Federal funds allocated to the State.

(c) **CONTRACTUAL ARRANGEMENTS FOR IMPLEMENTATION OF STATE PROGRAMS.**—A State may be approved to be a participating State, and be eligible for an allocation of Federal funds under the Program, if the State has contractual arrangements for the implementation and administration of its State program with—

(1) an existing, approved State program administered by another State; or

(2) an authorized agent of, or entity supervised by, the State, including for-profit and not-for-profit entities.

(d) **SPECIAL PERMISSION.**—

(1) **CIRCUMSTANCES WHEN A MUNICIPALITY MAY APPLY DIRECTLY.**—If a State does not, within 60 days after the date of enactment of this Act, file with the Secretary a notice of its intent to apply for approval by the Secretary of a State program or within 9 months after the date of enactment of this Act, file with the Secretary a complete application for approval of a State program, the Secretary may grant to municipalities of that State a special permission that will allow them to apply directly to the Secretary without the State for approval to be participating municipalities.

(2) **TIMING REQUIREMENTS APPLICABLE TO MUNICIPALITIES APPLYING DIRECTLY.**—To qualify for the special permission, a municipality of a State shall be required, within 12 months after the date of enactment of this Act, to file with the Secretary a complete application for approval by the Secretary of a State program.

(3) **NOTICES OF INTENT AND APPLICATIONS FROM MORE THAN 1 MUNICIPALITY.**—A municipality of a State may combine with 1 or more other municipalities of that State to file a joint notice of intent to file and a joint application.

(4) **APPROVAL CRITERIA.**—The general approval criteria in paragraphs (2) and (4) shall apply.

(5) **ALLOCATION TO MUNICIPALITIES.**—

(A) **IF MORE THAN 3.**—If more than 3 municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to the 3 municipalities with the largest populations.

(B) **IF 3 OR FEWER.**—If 3 or fewer municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to each applicant municipality or combination of municipalities.

(6) **APPORTIONMENT OF ALLOCATED AMOUNT AMONG PARTICIPATING MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall apportion the full amount of the Federal funds that are allocated to that State to municipalities that are approved under this subsection in amounts proportionate to the population of those municipalities, based on the most recent available decennial census.

(7) **APPROVING STATE PROGRAMS FOR MUNICIPALITIES.**—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall take into account the additional considerations in section 3206(d) in making the determination under section 3205 or 3206 that the State program or programs to be implemented by the participating municipalities, including a State capital access program, is eligible for Federal contributions to, or for the account of, the State program.

**SEC. 3205. APPROVING STATE CAPITAL ACCESS PROGRAMS.**

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, State capital access program that meets the eligibility criteria in subsection (c) may apply to Secretary to have the State capital access program approved as eligible for Federal contributions to the reserve fund.

(b) **APPROVAL.**—The Secretary shall approve such State capital access program as eligible for Federal contributions to the reserve fund if—

(1) within 60 days after the date of enactment of this Act, the State has filed with the Secretary a notice of intent to apply for approval by the Secretary of a State capital access program;

(2) within 9 months after the date of enactment of this Act, the State has filed with the Secretary a complete application for approval by the Secretary of a capital access program;

(3) the State satisfies the requirements of subsections (a) and (b) of section 3204; and

(4) the State capital access program meets the eligibility criteria in subsection (c).

(c) **ELIGIBILITY CRITERIA FOR STATE CAPITAL ACCESS PROGRAMS.**—For a State capital access program to be approved under this section, that program shall be required to be a program of the State that—

(1) provides portfolio insurance for business loans based on a separate loan-loss reserve fund for each financial institution;

(2) requires insurance premiums to be paid by the financial institution lenders and by

the business borrowers to the reserve fund to have their loans enrolled in the reserve fund;

(3) provides for contributions to be made by the State to the reserve fund in amounts at least equal to the sum of the amount of the insurance premium charges paid by the borrower and the financial institution to the reserve fund for any newly enrolled loan; and

(4) provides its portfolio insurance solely for loans that meet both the following requirements:

(A) The borrower has 500 employees or less at the time that the loan is enrolled in the Program.

(B) The loan amount does not exceed \$5,000,000.

(d) **FEDERAL CONTRIBUTIONS TO APPROVED STATE CAPITAL ACCESS PROGRAMS.**—A State capital access program approved under this section will be eligible for receiving Federal contributions to the reserve fund in an amount equal to the sum of the amount of the insurance premium charges paid by the borrowers and by the financial institution to the reserve fund for loans that meet the requirements in subsection (c)(4). A participating State may use the Federal contribution to make its contribution to the reserve fund of an approved State capital access program.

(e) **MINIMUM PROGRAM REQUIREMENTS FOR STATE CAPITAL ACCESS PROGRAMS.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements that meet the following minimum requirements:

(1) **EXPERIENCE AND CAPACITY.**—The participating State shall determine for each financial institution that participates in the State capital access program, after consultation with the appropriate Federal banking agency or, in the case of a financial institution that is a nondepository community development financial institution, the Community Development Financial Institution Fund, that the financial institution has sufficient commercial lending experience and financial and managerial capacity to participate in the approved State capital access program. The determination by the State shall not be reviewable by the Secretary.

(2) **INVESTMENT AUTHORITY.**—Subject to applicable State law, the participating State may invest, or cause to be invested, funds held in a reserve fund by establishing a deposit account at the financial institution lender in the name of the participating State. In the event that funds in the reserve fund are not deposited in such an account, such funds shall be invested in a form that the participating State determines is safe and liquid.

(3) **LOAN TERMS AND CONDITIONS TO BE DETERMINED BY AGREEMENT.**—A loan to be filed for enrollment in an approved State capital access program may be made with such interest rate, fees, and other terms and conditions, and the loan may be enrolled in the approved State capital access program and claims may be filed and paid, as agreed upon by the financial institution lender and the borrower, consistent with applicable law.

(4) **LENDER CAPITAL AT-RISK.**—A loan to be filed for enrollment in the State capital access program shall require the financial institution lender to have a meaningful amount of its own capital resources at risk in the loan.

(5) **PREMIUM CHARGES MINIMUM AND MAXIMUM AMOUNTS.**—The insurance premium charges payable to the reserve fund by the borrower and the financial institution lender shall be prescribed by the financial institution lender, within minimum and maximum limits that require that the sum of the insurance premium charges paid in connection with a loan by the borrower and the financial institution lender may not be less than 2 percent nor more than 7 percent of the

amount of the loan enrolled in the approved State capital access program.

(6) **STATE CONTRIBUTIONS.**—In enrolling a loan in an approved State capital access program, the participating State may make a contribution to the reserve fund to supplement Federal contributions made under this Program.

(7) **LOAN PURPOSE.**—

(A) **PARTICULAR LOAN PURPOSE REQUIREMENTS AND PROHIBITIONS.**—In connection with the filing of a loan for enrollment in an approved State capital access program, the financial institution lender—

(i) shall obtain an assurance from each borrower that—

(I) the proceeds of the loan will be used for a business purpose;

(II) the loan will not be used to finance such business activities as the Secretary, by regulation, may proscribe as prohibited loan purposes for enrollment in an approved State capital access program; and

(III) the borrower is not—

(aa) an executive officer, director, or principal shareholder of the financial institution lender;

(bb) a member of the immediate family of an executive officer, director, or principal shareholder of the financial institution lender; or

(cc) a related interest of any such executive officer, director, principal shareholder, or member of the immediate family;

(ii) shall provide assurances to the participating State that the loan has not been made in order to place under the protection of the approved State capital access program prior debt that is not covered under the approved State capital access program and that is or was owed by the borrower to the financial institution lender or to an affiliate of the financial institution lender;

(iii) shall not allow the enrollment of a loan to a borrower that is a refinancing of a loan previously made to that borrower by the financial institution lender or an affiliate of the financial institution lender; and

(iv) may include additional restrictions on the eligibility of loans or borrowers that are not inconsistent with the provisions and purposes of this subtitle, including compliance with all applicable Federal and State laws, regulations, ordinances, and Executive orders.

(B) **DEFINITIONS.**—In this paragraph, the terms “executive officer”, “director”, “principal shareholder”, “immediate family”, and “related interest” refer to the same relationship to a financial institution lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

(8) **CAPITAL ACCESS FOR SMALL BUSINESSES IN UNDERSERVED COMMUNITIES.**—At the time that a State applies to the Secretary to have the State capital access program approved as eligible for Federal contributions, the State shall deliver to the Secretary a report stating how the State plans to use the Federal contributions to the reserve fund to provide access to capital for small businesses in low- and moderate-income, minority, and other underserved communities, including women- and minority-owned small businesses.

**SEC. 3206. APPROVING COLLATERAL SUPPORT AND OTHER INNOVATIVE CREDIT ACCESS AND GUARANTEE INITIATIVES FOR SMALL BUSINESSES AND MANUFACTURERS.**

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, credit support program that meets the eligibility criteria in subsection (c) may apply to the Secretary to have the State other credit support program approved as eligible for Federal contributions to, or for the account of, the State program.

(b) **APPROVAL.**—The Secretary shall approve such State other credit support program as eligible for Federal contributions to, or for the account of, the program if—

(1) the Secretary determines that the State satisfies the requirements of paragraphs (1) through (3) of section 3205(b);

(2) the Secretary determines that the State other credit support program meets the eligibility criteria in subsection (c);

(3) the Secretary determines the State other credit support program to be eligible based on the additional considerations in subsection (d); and

(4) within 9 months after the date of enactment of this Act, the State has filed with Treasury a complete application for Treasury approval.

(c) **ELIGIBILITY CRITERIA FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—For a State other credit support program to be approved under this section, that program shall be required to be a program of the State that—

(1) can demonstrate that, at a minimum, \$1 of public investment by the State program will cause and result in \$1 of new private credit;

(2) can demonstrate a reasonable expectation that, when considered with all other State programs of the State, such State programs together have the ability to use amounts of new Federal contributions to, or for the account of, all such programs in the State to cause and result in amounts of new small business lending at least 10 times the new Federal contribution amount;

(3) for those State other credit support programs that provide their credit support through 1 or more financial institution lenders, requires the financial institution lenders to have a meaningful amount of their own capital resources at risk in their small business lending; and

(4) uses Federal funds allocated under this subtitle to extend credit support that—

(A) targets an average borrower size of 500 employees or less;

(B) does not extend credit support to borrowers that have more than 750 employees;

(C) targets support towards loans with an average principal amount of \$5,000,000 or less; and

(D) does not extend credit support to loans that exceed a principal amount of \$20,000,000.

(d) **ADDITIONAL CONSIDERATIONS.**—In making a determination that a State other credit support program is eligible for Federal contributions to, or for the account of, the State program, the Secretary shall take into account the following additional considerations:

(1) The anticipated benefits to the State, its businesses, and its residents to be derived from the Federal contributions to, or for the account of, the approved State other credit support program, including the extent to which resulting small business lending will expand economic opportunities.

(2) The operational capacity, skills, and experience of the management team of the State other credit support program.

(3) The capacity of the State other credit support program to manage increases in the volume of its small business lending.

(4) The internal accounting and administrative controls systems of the State other credit support program, and the extent to which they can provide reasonable assurance that funds of the State program are safeguarded against waste, loss, unauthorized use, or misappropriation.

(5) The soundness of the program design and implementation plan of the State other credit support program.

(e) **FEDERAL CONTRIBUTIONS TO APPROVED STATE OTHER CREDIT SUPPORT PROGRAMS.**—A State other credit support program approved under this section will be eligible for receiving Federal contributions to, or for the account of, the State program in an amount consistent with the schedule describing the apportionment of allocated Federal funds among State programs delivered by the State to the Secretary under the allocation agreement.

(f) **MINIMUM PROGRAM REQUIREMENTS FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—

(1) **FUND TO PRESCRIBE.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements for approved State other credit support programs.

(2) **CONSIDERATIONS FOR FUND.**—In prescribing minimum Program requirements for approved State other credit support programs, the Secretary shall take into consideration, to the extent the Secretary determines applicable and appropriate, the minimum Program requirements for approved State capital access programs in section 3205(e).

**SEC. 3207. REPORTS.**

(a) **QUARTERLY USE-OF-FUNDS REPORT.**—

(1) **IN GENERAL.**—Not later than 30 days after the beginning of each calendar quarter, beginning after the first full calendar quarter to occur after the date the Secretary approves a State for participation, the participating State shall submit to the Secretary a report on the use of Federal funding by the participating State during the previous calendar quarter.

(2) **REPORT CONTENTS.**—Each report under this subsection shall—

(A) indicate the total amount of Federal funding used by the participating State; and

(B) include a certification by the participating State that—

(i) the information provided in accordance with subparagraph (A) is accurate;

(ii) funds continue to be available and legally committed to contributions by the State to, or for the account of, approved State programs, less any amount that has been contributed by the State to, or for the account of, approved State programs subsequent to the State being approved for participation in the Program; and

(iii) the participating State is implementing its approved State program or programs in accordance with this subtitle and regulations issued under section 3210.

(b) **ANNUAL REPORT.**—Not later than March 31 of each year, beginning March 31, 2011, each participating State shall submit to the Secretary an annual report that shall include the following information:

(1) The number of borrowers that received new loans originated under the approved State program or programs after the State program was approved as eligible for Federal contributions.

(2) The total amount of such new loans.

(3) Breakdowns by industry type, loan size, annual sales, and number of employees of the borrowers that received such new loans.

(4) The zip code of each borrower that received such a new loan.

(5) Such other data as the Secretary, in the Secretary's sole discretion, may require to carry out the purposes of the Program.

(c) **FORM.**—The reports and data filed under subsections (a) and (b) shall be in such form as the Secretary, in the Secretary's sole discretion, may require.

(d) **TERMINATION OF REPORTING REQUIREMENTS.**—The requirement to submit reports under subsections (a) and (b) shall terminate for a participating State with the submission of the completed reports due on the first March 31 to occur after 5 complete 12-month periods after the State is approved by the Secretary to be a participating State.

**SEC. 3208. REMEDIES FOR STATE PROGRAM TERMINATION OR FAILURES.**

(a) **REMEDIES.**—

(1) IN GENERAL.—If any of the events listed in paragraph (2) occur, the Secretary, in the Secretary's discretion, may—

(A) reduce the amount of Federal funds allocated to the State under the Program; or

(B) terminate any further transfers of allocated amounts that have not yet been transferred to the State.

(2) CAUSAL EVENTS.—The events referred to in paragraph (1) are—

(A) termination by a participating State of its participation in the Program;

(B) failure on the part of a participating State to submit complete reports under section 3207 on a timely basis; or

(C) noncompliance by the State with the terms of the allocation agreement between the Secretary and the State.

(b) DEALLOCATED AMOUNTS TO BE REALLOCATED.—If, after 13 months, any portion of the amount of Federal funds allocated to a participating State is deemed by the Secretary to be no longer allocated to the State after actions taken by the Secretary under subsection (a)(1), the Secretary shall reallocate that portion among the participating States, excluding the State whose allocated funds were deemed to be no longer allocated, as provided in section 3203(b).

#### SEC. 3209. IMPLEMENTATION AND ADMINISTRATION.

(a) GENERAL AUTHORITIES AND DUTIES.—The Secretary shall—

(1) consult with the Administrator of the Small Business Administration and the appropriate Federal banking agencies on the administration of the Program;

(2) establish minimum national standards for approved State programs;

(3) provide technical assistance to States for starting State programs and generally disseminate best practices;

(4) manage, administer, and perform necessary program integrity functions for the Program; and

(5) ensure adequate oversight of the approved State programs, including oversight of the cash flows, performance, and compliance of each approved State program.

(b) APPROPRIATIONS.—There is hereby appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, \$900,000,000 to carry out the Program, including to pay reasonable costs of administering the Program.

(c) TERMINATION OF SECRETARY'S PROGRAM ADMINISTRATION FUNCTIONS.—The authorities and duties of the Secretary to implement and administer the Program shall terminate at the end of the 7-year period beginning on the date of enactment of this Act.

(d) EXPEDITED CONTRACTING.—During the 1-year period beginning on the date of enactment of this Act, the Secretary may enter into contracts without regard to any other provision of law regarding public contracts, for purposes of carrying out this subtitle.

#### SEC. 3210. REGULATIONS.

The Secretary, in consultation with the Administrator of the Small Business Administration, shall issue such regulations and other guidance as the Secretary determines necessary or appropriate to implement this subtitle including to define terms, to establish compliance and reporting requirements, and such other terms and conditions necessary to carry out the purposes of this subtitle.

#### SEC. 3211. OVERSIGHT AND AUDITS.

(a) INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the use of funds made available under the Program.

(b) GAO AUDIT.—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to

the appropriate committees of Congress containing the results of such audit.

#### (c) REQUIRED CERTIFICATION.—

(1) FINANCIAL INSTITUTIONS CERTIFICATION.—With respect to funds received by a participating State under the Program, any financial institution that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in section 5312 (a)(2) and (c)(1)(A) of title 31, United States Code, to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) SEX OFFENSE CERTIFICATION.—With respect to funds received by a participating State under the Program, any private entity that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify to the participating State that the principals of such entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(d) PROHIBITION ON PORNOGRAPHY.—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

#### TITLE IV—BUDGETARY PROVISIONS

##### SEC. 4001. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The provisions in this Act shall take effect one day after enactment.

**SA 4404.** Mr. REID proposed an amendment to amendment SA 4403 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

On page 236, line 24, strike "one" and insert "five".

**SA 4405.** Mr. REID proposed an amendment to amendment to the bill

H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

At the end, insert the following:

The provisions of this Act shall become effective three days after enactment.

**SA 4406.** Mr. REID proposed an amendment to amendment SA 4405 proposed by Mr. REID to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

In the amendment, strike "three days" and insert "10 days".

**SA 4407.** Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) proposed an amendment to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Jobs Act of 2010".

##### SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

##### TITLE I—SMALL BUSINESSES

Sec. 1001. Definitions.

Subtitle A—Small Business Access to Credit

Sec. 1101. Short title.

##### PART I—NEXT STEPS FOR MAIN STREET

###### CREDIT AVAILABILITY

Sec. 1111. Section 7(a) business loans.

Sec. 1112. Maximum loan amounts under 504 program.

Sec. 1113. Maximum loan limits under microloan program.

Sec. 1114. Temporary fee reductions.

Sec. 1115. New Markets Venture Capital company investment limitations.

Sec. 1116. Alternative size standards.

Sec. 1117. Sale of 7(a) loans in secondary market.

Sec. 1118. Online lending platform.

Sec. 1119. SBA Secondary Market Guarantee Authority.

##### PART II—SMALL BUSINESS ACCESS TO CAPITAL

Sec. 1122. Low-interest refinancing under the local development business loan program.

##### PART III—OTHER MATTERS

Sec. 1131. Small business intermediary lending pilot program.



- Sec. 1132. Public policy goals.  
 Sec. 1133. Draft floor plan pilot program extension.  
 Sec. 1134. Guarantees for bonds and notes issued for community or economic development purposes.  
 Sec. 1135. Temporary express loan enhancement.  
 Sec. 1136. Prohibition on using TARP funds or tax in creases.

**Subtitle B—Small Business Trade and Exporting**

- Sec. 1201. Short title.  
 Sec. 1202. Definitions.  
 Sec. 1203. Office of International Trade.  
 Sec. 1204. Duties of the Office of International Trade.  
 Sec. 1205. Export assistance centers.  
 Sec. 1206. International trade finance programs.  
 Sec. 1207. State Trade and Export Promotion Grant Program.  
 Sec. 1208. Rural export promotion.  
 Sec. 1209. International trade cooperation by small business development centers.

**Subtitle C—Small Business Contracting**

**PART I—CONTRACT BUNDLING**

- Sec. 1311. Small Business Act.  
 Sec. 1312. Leadership and oversight.  
 Sec. 1313. Consolidation of contract requirements.  
 Sec. 1314. Small business teams pilot program.

**PART II—SUBCONTRACTING INTEGRITY**

- Sec. 1321. Subcontracting misrepresentations.  
 Sec. 1322. Small business subcontracting improvements.

**PART III—ACQUISITION PROCESS**

- Sec. 1331. Reservation of prime contract awards for small businesses.  
 Sec. 1332. Micro-purchase guidelines.  
 Sec. 1333. Agency accountability.  
 Sec. 1334. Payment of subcontractors.  
 Sec. 1335. Repeal of Small Business Competitiveness Demonstration Program.

**PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY**

- Sec. 1341. Policy and presumptions.  
 Sec. 1342. Annual certification.  
 Sec. 1343. Training for contracting and enforcement personnel.  
 Sec. 1344. Updated size standards.  
 Sec. 1345. Study and report on the mentor-protégé program.  
 Sec. 1346. Contracting goals reports.  
 Sec. 1347. Small business contracting parity.  
 Subtitle D—Small Business Management and Counseling Assistance

- Sec. 1401. Matching requirements under small business programs.  
 Sec. 1402. Grants for SBDCs.

**Subtitle E—Disaster Loan Improvement**

- Sec. 1501. Aquaculture business disaster assistance.

**Subtitle F—Small Business Regulatory Relief**

- Sec. 1601. Requirements providing for more detailed analyses.  
 Sec. 1602. Office of advocacy.

**Subtitle G—Appropriations Provisions**

- Sec. 1701. Salaries and expenses.  
 Sec. 1702. Business loans program account.  
 Sec. 1703. Community Development Financial Institutions Fund program account.

**TITLE II—TAX PROVISIONS**

- Sec. 2001. Short title.

**Subtitle A—Small Business Relief**

**PART I—PROVIDING ACCESS TO CAPITAL**

- Sec. 2011. Temporary exclusion of 100 percent of gain on certain small business stock.

- Sec. 2012. General business credits of eligible small businesses for 2010 carried back 5 years.

- Sec. 2013. General business credits of eligible small businesses in 2010 not subject to alternative minimum tax.

- Sec. 2014. Temporary reduction in recognition period for built-in gains tax.

**PART II—ENCOURAGING INVESTMENT**

- Sec. 2021. Increased expensing limitations for 2010 and 2011; certain real property treated as section 179 property.

- Sec. 2022. Additional first-year depreciation for 50 percent of the basis of certain qualified property.

**PART III—PROMOTING ENTREPRENEURSHIP**

- Sec. 2031. Increase in amount allowed as deduction for start-up expenditures in 2010.

- Sec. 2032. Authorization of appropriations for the United States Trade Representative to develop market access opportunities for United States small- and medium-sized businesses and to enforce trade agreements.

**PART IV—PROMOTING SMALL BUSINESS FAIRNESS**

- Sec. 2041. Limitation on penalty for failure to disclose reportable transactions based on resulting tax benefits.

- Sec. 2042. Deduction for health insurance costs in computing self-employment taxes in 2010.

**Subtitle B—Revenue Provisions**

**PART I—REDUCING THE TAX GAP**

- Sec. 2101. Information reporting for rental property expense payments.  
 Sec. 2102. Increase in information return penalties.  
 Sec. 2103. Report on tax shelter penalties and certain other enforcement actions.

- Sec. 2104. Application of levy to payments to Federal vendors relating to property.

- Sec. 2105. Application of continuous levy to tax liabilities of certain Federal contractors.

- Sec. 2106. Application of bad checks penalty to electronic payments.

**PART II—PROMOTING RETIREMENT PREPARATION**

- Sec. 2111. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.

- Sec. 2112. Rollovers from elective deferral plans to designated Roth accounts.

**PART III—CLOSING UNINTENDED LOOPHOLES**

- Sec. 2121. Crude oil ineligible for cellulosic biofuel producer credit.

**PART IV—TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES**

- Sec. 2131. Time for payment of corporate estimated taxes.

**TITLE III—SMALL BUSINESS LENDING**

**Subtitle A—Small Business Lending Fund**

- Sec. 3101. Purpose.  
 Sec. 3102. Definitions.  
 Sec. 3103. Small business lending fund.  
 Sec. 3104. Additional authorities of the Secretary.

- Sec. 3105. Considerations.

- Sec. 3106. Reports.

- Sec. 3107. Oversight and audits.

- Sec. 3108. Credit reform; funding.

- Sec. 3109. Termination and continuation of authorities.

- Sec. 3110. Preservation of authority.

- Sec. 3111. Assurances.

- Sec. 3112. Study and report with respect to women-owned, veteran-owned, and minority-owned businesses.

- Sec. 3113. Sense of congress.

**Subtitle B—State Small Business Credit Initiative**

- Sec. 3201. Short title.

- Sec. 3202. Definitions.

- Sec. 3203. Federal funds allocated to States.

- Sec. 3204. Approving States for participation.

- Sec. 3205. Approving State capital access programs.

- Sec. 3206. Approving collateral support and other innovative credit access and guarantee initiatives for small businesses and manufacturers.

- Sec. 3207. Reports.

- Sec. 3208. Remedies for State program termination or failures.

- Sec. 3209. Implementation and administration.

- Sec. 3210. Regulations.

- Sec. 3211. Oversight and audits.

**TITLE IV—BUDGETARY PROVISIONS**

- Sec. 4001. Determination of budgetary effects.

**TITLE I—SMALL BUSINESSES**

**SEC. 1001. DEFINITIONS.**

In this title—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

**Subtitle A—Small Business Access to Credit**

**SEC. 1101. SHORT TITLE.**

This subtitle may be cited as the “Small Business Job Creation and Access to Capital Act of 2010”.

**PART I—NEXT STEPS FOR MAIN STREET CREDIT AVAILABILITY**

**SEC. 1111. SECTION 7(a) BUSINESS LOANS.**

(a) AMENDMENT.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “75 percent” and inserting “90 percent”; and

(B) in clause (ii), by striking “85 percent” and inserting “90 percent”; and

(2) in paragraph (3)(A), by striking “\$1,500,000 (or if the gross loan amount would exceed \$2,000,000)” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000)”.

(b) PROSPECTIVE REPEAL.—Effective January 1, 2011, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking “90 percent” and inserting “75 percent”; and

(B) in clause (ii), by striking “90 percent” and inserting “85 percent”; and

(2) in paragraph (3)(A), by striking “\$4,500,000” and inserting “\$3,750,000”.

**SEC. 1112. MAXIMUM LOAN AMOUNTS UNDER 504 PROGRAM.**

Section 502(2)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)) is amended—

(1) in clause (i), by striking “\$1,500,000” and inserting “\$5,000,000”; and

(2) in clause (ii), by striking “\$2,000,000” and inserting “\$5,000,000”; and

(3) in clause (iii), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(4) in clause (iv), by striking “\$4,000,000” and inserting “\$5,500,000”; and

(5) in clause (v), by striking “\$4,000,000” and inserting “\$5,500,000”.

**SEC. 1113. MAXIMUM LOAN LIMITS UNDER MICROLOAN PROGRAM.**

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (1)(B)(iii), by striking “\$35,000” and inserting “\$50,000”;

(2) in paragraph (3)—

(A) in subparagraph (C), by striking “\$3,500,000” and inserting “\$5,000,000”; and

(B) in subparagraph (E), by striking “\$35,000” each place that term appears and inserting “\$50,000”; and

(3) in paragraph (11)(B), by striking “\$35,000” and inserting “\$50,000”.

**SEC. 1114. TEMPORARY FEE REDUCTIONS.**

Section 501 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “September 30, 2010” each place that term appears and inserting “December 31, 2010”.

**SEC. 1115. NEW MARKETS VENTURE CAPITAL COMPANY INVESTMENT LIMITATIONS.**

Section 355 of the Small Business Investment Act of 1958 (15 U.S.C. 689d) is amended by adding at the end the following:

“(e) INVESTMENT LIMITATIONS.—

“(1) DEFINITION.—In this subsection, the term ‘covered New Markets Venture Capital company’ means a New Markets Venture Capital company—

“(A) granted final approval by the Administrator under section 354(e) on or after March 1, 2002; and

“(B) that has obtained a financing from the Administrator.

“(2) LIMITATION.—Except to the extent approved by the Administrator, a covered New Markets Venture Capital company may not acquire or issue commitments for securities under this title for any single enterprise in an aggregate amount equal to more than 10 percent of the sum of—

“(A) the regulatory capital of the covered New Markets Venture Capital company; and

“(B) the total amount of leverage projected in the participation agreement of the covered New Markets Venture Capital.”.

**SEC. 1116. ALTERNATIVE SIZE STANDARDS.**

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following:

“(5) ALTERNATIVE SIZE STANDARD.—

“(A) IN GENERAL.—The Administrator shall establish an alternative size standard for applicants for business loans under section 7(a) and applicants for development company loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), that uses maximum tangible net worth and average net income as an alternative to the use of industry standards.

“(B) INTERIM RULE.—Until the date on which the alternative size standard established under subparagraph (A) is in effect, an applicant for a business loan under section 7(a) or an applicant for a development company loan under title V of the Small Business Investment Act of 1958 may be eligible for such a loan if—

“(i) the maximum tangible net worth of the applicant is not more than \$15,000,000; and

“(ii) the average net income after Federal income taxes (excluding any carry-over losses) of the applicant for the 2 full fiscal years before the date of the application is not more than \$5,000,000.”.

**SEC. 1117. SALE OF 7(a) LOANS IN SECONDARY MARKET.**

Section 5(g) of the Small Business Act (15 U.S.C. 634(g)) is amended by adding at the end the following:

“(6) If the amount of the guaranteed portion of any loan under section 7(a) is more than \$500,000, the Administrator shall, upon request of a pool assembler, divide the loan

guarantee into increments of \$500,000 and 1 increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any loan in a pool to be not more than \$500,000. Only 1 increment of any loan guarantee divided under this paragraph may be included in the same pool. Increments of loan guarantees to different borrowers that are divided under this paragraph may be included in the same pool.”.

**SEC. 1118. ONLINE LENDING PLATFORM.**

It is the sense of Congress that the Administrator of the Small Business Administration should establish a website that—

(1) lists each lender that makes loans guaranteed by the Small Business Administration and provides information about the loan rates of each such lender; and

(2) allows prospective borrowers to compare rates on loans guaranteed by the Small Business Administration.

**SEC. 1119. SBA SECONDARY MARKET GUARANTEE AUTHORITY.**

Section 503(f) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 155) is amended by striking “on the date 2 years after the date of enactment of this section” and inserting “2 years after the date of the first sale of a pool of first lien position 504 loans guaranteed under this section to a third-party investor”.

**PART II—SMALL BUSINESS ACCESS TO CAPITAL****SEC. 1122. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.**

(a) REFINANCING.—Section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by adding at the end the following:

“(C) REFINANCING NOT INVOLVING EXPANSIONS.—

“(i) DEFINITIONS.—In this subparagraph—

“(I) the term ‘borrower’ means a small business concern that submits an application to a development company for financing under this subparagraph;

“(II) the term ‘eligible fixed asset’ means tangible property relating to which the Administrator may provide financing under this section; and

“(III) the term ‘qualified debt’ means indebtedness—

“(aa) that—

“(AA) was incurred not less than 2 years before the date of the application for assistance under this subparagraph;

“(BB) is a commercial loan;

“(CC) is not subject to a guarantee by a Federal agency;

“(DD) the proceeds of which were used to acquire an eligible fixed asset;

“(EE) was incurred for the benefit of the small business concern; and

“(FF) is collateralized by eligible fixed assets; and

“(bb) for which the borrower has been current on all payments for not less than 1 year before the date of the application.

“(ii) AUTHORITY.—A project that does not involve the expansion of a small business concern may include the refinancing of qualified debt if—

“(I) the amount of the financing is not more than 90 percent of the value of the collateral for the financing, except that, if the appraised value of the eligible fixed assets serving as collateral for the financing is less than the amount equal to 125 percent of the amount of the financing, the borrower may provide additional cash or other collateral to eliminate any deficiency;

“(II) the borrower has been in operation for all of the 2-year period ending on the date of the loan; and

“(III) for a financing for which the Administrator determines there will be an addi-

tional cost attributable to the refinancing of the qualified debt, the borrower agrees to pay a fee in an amount equal to the anticipated additional cost.

“(iii) FINANCING FOR BUSINESS EXPENSES.—

“(I) FINANCING FOR BUSINESS EXPENSES.—The Administrator may provide financing to a borrower that receives financing that includes a refinancing of qualified debt under clause (ii), in addition to the refinancing under clause (ii), to be used solely for the payment of business expenses.

“(II) APPLICATION FOR FINANCING.—An application for financing under subclause (I) shall include—

“(aa) a specific description of the expenses for which the additional financing is requested; and

“(bb) an itemization of the amount of each expense.

“(III) CONDITION ON ADDITIONAL FINANCING.—A borrower may not use any part of the financing under this clause for non-business purposes.

“(iv) LOANS BASED ON JOBS.—

“(I) JOB CREATION AND RETENTION GOALS.—

“(aa) IN GENERAL.—The Administrator may provide financing under this subparagraph for a borrower that meets the job creation goals under subsection (d) or (e) of section 501.

“(bb) ALTERNATE JOB RETENTION GOAL.—The Administrator may provide financing under this subparagraph to a borrower that does not meet the goals described in item (aa) in an amount that is not more than the product obtained by multiplying the number of employees of the borrower by \$65,000.

“(II) NUMBER OF EMPLOYEES.—For purposes of subclause (I), the number of employees of a borrower is equal to the sum of—

“(aa) the number of full-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; and

“(bb) the product obtained by multiplying—

“(AA) the number of part-time employees of the borrower on the date on which the borrower applies for a loan under this subparagraph; by

“(BB) the quotient obtained by dividing the average number of hours each part time employee of the borrower works each week by 40.

“(v) NONDELEGATION.—Notwithstanding section 508(e), the Administrator may not permit a premier certified lender to approve or disapprove an application for assistance under this subparagraph.

“(vi) TOTAL AMOUNT OF LOANS.—The Administrator may provide not more than a total of \$7,500,000,000 of financing under this subparagraph for each fiscal year.”.

(b) PROSPECTIVE REPEAL.—Effective 2 years after the date of enactment of this Act, section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)) is amended by striking subparagraph (C).

(c) TECHNICAL CORRECTION.—Section 502(2)(A)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)(i)) is amended by striking “subparagraph (B) or (C)” and inserting “clause (ii), (iii), (iv), or (v)”.

**PART III—OTHER MATTERS****SEC. 1131. SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.**

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by striking subsection (l) and inserting the following:

“(l) SMALL BUSINESS INTERMEDIARY LENDING PILOT PROGRAM.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible intermediary’—

“(i) means a private, nonprofit entity that—

“(I) seeks or has been awarded a loan from the Administrator to make loans to small business concerns under this subsection; and

“(II) has not less than 1 year of experience making loans to startup, newly established, or growing small business concerns; and

“(ii) includes—

“(I) a private, nonprofit community development corporation; and

“(II) a consortium of private, nonprofit organizations or nonprofit community development corporations; and

“(III) an agency of or nonprofit entity established by a Native American Tribal Government; and

“(B) the term ‘Program’ means the small business intermediary lending pilot program established under paragraph (2).

“(2) ESTABLISHMENT.—There is established a 3-year small business intermediary lending pilot program, under which the Administrator may make direct loans to eligible intermediaries, for the purpose of making loans to startup, newly established, and growing small business concerns.

“(3) PURPOSES.—The purposes of the Program are—

“(A) to assist small business concerns in areas suffering from a lack of credit due to poor economic conditions or changes in the financial market; and

“(B) to establish a loan program under which the Administrator may provide loans to eligible intermediaries to enable the eligible intermediaries to provide loans to startup, newly established, and growing small business concerns for working capital, real estate, or the acquisition of materials, supplies, or equipment.

“(4) LOANS TO ELIGIBLE INTERMEDIARIES.—

“(A) APPLICATION.—Each eligible intermediary desiring a loan under this subsection shall submit an application to the Administrator that describes—

“(i) the type of small business concerns to be assisted;

“(ii) the size and range of loans to be made;

“(iii) the interest rate and terms of loans to be made;

“(iv) the geographic area to be served and the economic, poverty, and unemployment characteristics of the area;

“(v) the status of small business concerns in the area to be served and an analysis of the availability of credit; and

“(vi) the qualifications of the applicant to carry out this subsection.

“(B) LOAN LIMITS.—No loan may be made to an eligible intermediary under this subsection if the total amount outstanding and committed to the eligible intermediary by the Administrator would, as a result of such loan, exceed \$1,000,000 during the participation of the eligible intermediary in the Program.

“(C) LOAN DURATION.—Loans made by the Administrator under this subsection shall be for a term of 20 years.

“(D) APPLICABLE INTEREST RATES.—Loans made by the Administrator to an eligible intermediary under the Program shall bear an annual interest rate equal to 1.00 percent.

“(E) FEES; COLLATERAL.—The Administrator may not charge any fees or require collateral with respect to any loan made to an eligible intermediary under this subsection.

“(F) DELAYED PAYMENTS.—The Administrator shall not require the repayment of principal or interest on a loan made to an eligible intermediary under the Program during the 2-year period beginning on the date of the initial disbursement of funds under that loan.

“(G) MAXIMUM PARTICIPANTS AND AMOUNTS.—During each of fiscal years 2011, 2012, and 2013, the Administrator may make loans under the Program—

“(i) to not more than 20 eligible intermediaries; and

“(ii) in a total amount of not more than \$20,000,000.

“(5) LOANS TO SMALL BUSINESS CONCERNS.—

“(A) IN GENERAL.—The Administrator, through an eligible intermediary, shall make loans to startup, newly established, and growing small business concerns for working capital, real estate, and the acquisition of materials, supplies, furniture, fixtures, and equipment.

“(B) MAXIMUM LOAN.—An eligible intermediary may not make a loan under this subsection of more than \$200,000 to any 1 small business concern.

“(C) APPLICABLE INTEREST RATES.—A loan made by an eligible intermediary to a small business concern under this subsection, may have a fixed or a variable interest rate, and shall bear an interest rate specified by the eligible intermediary in the application of the eligible intermediary for a loan under this subsection.

“(D) REVIEW RESTRICTIONS.—The Administrator may not review individual loans made by an eligible intermediary to a small business concern before approval of the loan by the eligible intermediary.

“(6) TERMINATION.—The authority of the Administrator to make loans under the Program shall terminate 3 years after the date of enactment of the Small Business Job Creation and Access to Capital Act of 2010.”

(b) RULEMAKING AUTHORITY.—Not later than 180 days after the date of enactment of this Act, the Administrator shall issue regulations to carry out section 7(i) of the Small Business Act, as amended by subsection (a).

(c) AVAILABILITY OF FUNDS.—Any amounts provided to the Administrator for the purposes of carrying out section 7(i) of the Small Business Act, as amended by subsection (a), shall remain available until expended.

#### SEC. 1132. PUBLIC POLICY GOALS.

Section 501(d)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)) is amended—

(1) in subparagraph (J), by striking “or” at the end;

(2) in subparagraph (K), by striking the period at the end and inserting “, or”; and

(3) by adding at the end the following:

“(L) reduction of rates of unemployment in labor surplus areas, as such areas are determined by the Secretary of Labor.”

#### SEC. 1133. DRAFT FLOOR PLAN PILOT PROGRAM EXTENSION.

(a) IN GENERAL.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by redesignating paragraph (32), relating to increased veteran participation, as added by section 208 of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186; 122 Stat. 631), as paragraph (33); and

(2) by adding at the end the following:

“(34) DEALER FLOOR PLAN FINANCING PROGRAM.—

“(A) DEFINITION.—In this paragraph, the term ‘eligible retail good’—

“(i) means a good for which a title may be obtained under State law; and

“(ii) includes an automobile, recreational vehicle, boat, and manufactured home.

“(B) PROGRAM.—The Administrator may guarantee the timely payment of an open-end extension of credit to a small business concern, the proceeds of which may be used for the purchase of eligible retail goods for resale.

“(C) AMOUNT.—An open-end extension of credit guaranteed under this paragraph shall be in an amount not less than \$500,000 and not more than \$5,000,000.

“(D) TERM.—An open-end extension of credit guaranteed under this paragraph shall have a term of not more than 5 years.

“(E) GUARANTEE PERCENTAGE.—The Administrator may guarantee—

“(i) not less than 60 percent of an open-end extension of credit under this paragraph; and

“(ii) not more than 75 percent of an open-end extension of credit under this paragraph.

“(F) ADVANCE RATE.—The lender for an open-end extension of credit guaranteed under this paragraph may allow the borrower to draw funds on the line of credit in an amount equal to not more than 100 percent of the value of the eligible retail goods to be purchased.”

(b) SUNSET.—Effective September 30, 2013, section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking paragraph (34); and

(2) by redesignating paragraph (35), as added by section 1206 of this Act, as paragraph (34).

#### SEC. 1134. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

The Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et seq.) is amended by inserting after section 114 (12 U.S.C. 4713) the following:

#### “SEC. 114A. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

“(a) DEFINITIONS.—In this section, the following definitions shall apply:

“(1) ELIGIBLE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term ‘eligible community development financial institution’ means a community development financial institution (as described in section 1805.201 of title 12, Code of Federal Regulations, or any successor thereto) certified by the Secretary that has applied to a qualified issuer for, or been granted by a qualified issuer, a loan under the Program.

“(2) ELIGIBLE COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSE.—The term ‘eligible community or economic development purpose’—

“(A) means any purpose described in section 108(b); and

“(B) includes the provision of community or economic development in low-income or underserved rural areas.

“(3) GUARANTEE.—The term ‘guarantee’ means a written agreement between the Secretary and a qualified issuer (or trustee), pursuant to which the Secretary ensures repayment of the verifiable losses of principal, interest, and call premium, if any, on notes or bonds issued by a qualified issuer to finance or refinance loans to eligible community development financial institutions.

“(4) LOAN.—The term ‘loan’ means any credit instrument that is extended under the Program for any eligible community or economic development purpose.

“(5) MASTER SERVICER.—

“(A) IN GENERAL.—The term ‘master servicer’ means any entity approved by the Secretary in accordance with subparagraph (B) to oversee the activities of servicers, as provided in subsection (f)(4).

“(B) APPROVAL CRITERIA FOR MASTER SERVICERS.—The Secretary shall approve or deny any application to become a master servicer under the Program not later than 90 days after the date on which all required information is submitted to the Secretary, based on the capacity and experience of the applicant in—

“(i) loan administration, servicing, and loan monitoring;

“(ii) managing regional or national loan intake, processing, or servicing operational systems and infrastructure;

“(iii) managing regional or national originator communication systems and infrastructure;

“(iv) developing and implementing training and other risk management strategies on a regional or national basis; and

“(v) compliance monitoring, investor relations, and reporting.

“(6) PROGRAM.—The term ‘Program’ means the guarantee Program for bonds and notes issued for eligible community or economic development purposes established under this section.

“(7) PROGRAM ADMINISTRATOR.—The term ‘Program administrator’ means an entity designated by the issuer to perform administrative duties, as provided in subsection (f)(2).

“(8) QUALIFIED ISSUER.—

“(A) IN GENERAL.—The term ‘qualified issuer’ means a community development financial institution (or any entity designated to issue notes or bonds on behalf of such community development financial institution) that meets the qualification requirements of this paragraph.

“(B) APPROVAL CRITERIA FOR QUALIFIED ISSUERS.—

“(i) IN GENERAL.—The Secretary shall approve a qualified issuer for a guarantee under the Program in accordance with the requirements of this paragraph, and such additional requirements as the Secretary may establish, by regulation.

“(ii) TERMS AND QUALIFICATIONS.—A qualified issuer shall—

“(I) have appropriate expertise, capacity, and experience, or otherwise be qualified to make loans for eligible community or economic development purposes;

“(II) provide to the Secretary—

“(aa) an acceptable statement of the proposed sources and uses of the funds; and

“(bb) a capital distribution plan that meets the requirements of subsection (c)(1); and

“(III) certify to the Secretary that the bonds or notes to be guaranteed are to be used for eligible community or economic development purposes.

“(C) DEPARTMENT OPINION; TIMING.—

“(i) DEPARTMENT OPINION.—Not later than 30 days after the date of a request by a qualified issuer for approval of a guarantee under the Program, the Secretary shall provide an opinion regarding compliance by the issuer with the requirements of the Program under this section.

“(ii) TIMING.—The Secretary shall approve or deny a guarantee under this section after consideration of the opinion provided to the Secretary under clause (i), and in no case later than 90 days after receipt of all required information by the Secretary with respect to a request for such guarantee.

“(9) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(10) SERVICER.—The term ‘servicer’ means an entity designated by the issuer to perform various servicing duties, as provided in subsection (f)(3).

“(b) GUARANTEES AUTHORIZED.—The Secretary shall guarantee payments on bonds or notes issued by any qualified issuer, if the proceeds of the bonds or notes are used in accordance with this section to make loans to eligible community development financial institutions—

“(1) for eligible community or economic development purposes; or

“(2) to refinance loans or notes issued for such purposes.

“(c) GENERAL PROGRAM REQUIREMENTS.—

“(1) IN GENERAL.—A capital distribution plan meets the requirements of this subsection, if not less than 90 percent of the principal amount of guaranteed bonds or notes (other than costs of issuance fees) are

used to make loans for any eligible community or economic development purpose, measured annually, beginning at the end of the 1-year period beginning on the issuance date of such guaranteed bonds or notes.

“(2) RELENDING ACCOUNT.—Not more than 10 percent of the principal amount of guaranteed bonds or notes, multiplied by an amount equal to the outstanding principal balance of issued notes or bonds, minus the risk-share pool amount under subsection (d), may be held in a relending account and may be made available for new eligible community or economic development purposes.

“(3) LIMITATIONS ON UNPAID PRINCIPAL BALANCES.—The proceeds of guaranteed bonds or notes under the Program may not be used to pay fees (other than costs of issuance fees), and shall be held in—

“(A) community or economic development loans;

“(B) a relending account, to the extent authorized under paragraph (2); or

“(C) a risk-share pool established under subsection (d).

“(4) REPAYMENT.—If a qualified issuer fails to meet the requirements of paragraph (1) by the end of the 90-day period beginning at the end of the annual measurement period, repayment shall be made on that portion of bonds or notes necessary to bring the bonds or notes that remain outstanding after such repayment into compliance with the 90 percent requirement of paragraph (1).

“(5) PROHIBITED USES.—The Secretary shall, by regulation—

“(A) prohibit, as appropriate, certain uses of amounts from the guarantee of a bond or note under the Program, including the use of such funds for political activities, lobbying, outreach, counseling services, or travel expenses; and

“(B) provide that the guarantee of a bond or note under the Program may not be used for salaries or other administrative costs of—

“(i) the qualified issuer; or

“(ii) any recipient of amounts from the guarantee of a bond or note.

“(d) RISK-SHARE POOL.—Each qualified issuer shall, during the term of a guarantee provided under the Program, establish a risk-share pool, capitalized by contributions from eligible community development financial institution participants an amount equal to 3 percent of the guaranteed amount outstanding on the subject notes and bonds.

“(e) GUARANTEES.—

“(1) IN GENERAL.—A guarantee issued under the Program shall—

“(A) be for the full amount of a bond or note, including the amount of principal, interest, and call premiums;

“(B) be fully assignable and transferable to the capital market, on terms and conditions that are consistent with comparable Government-guaranteed bonds, and satisfactory to the Secretary;

“(C) represent the full faith and credit of the United States; and

“(D) not exceed 30 years.

“(2) LIMITATIONS.—

“(A) ANNUAL NUMBER OF GUARANTEES.—The Secretary shall issue not more than 10 guarantees in any calendar year under the Program.

“(B) GUARANTEE AMOUNT.—The Secretary may not guarantee any amount under the Program equal to less than \$100,000,000, but the total of all such guarantees in any fiscal year may not exceed \$1,000,000,000.

“(f) SERVICING OF TRANSACTIONS.—

“(1) IN GENERAL.—To maximize efficiencies and minimize cost and interest rates, loans made under this section may be serviced by qualified Program administrators, bond servicers, and a master servicer.

“(2) DUTIES OF PROGRAM ADMINISTRATOR.—The duties of a Program administrator shall include—

“(A) approving and qualifying eligible community development financial institution applications for participation in the Program;

“(B) compliance monitoring;

“(C) bond packaging in connection with the Program; and

“(D) all other duties and related services that are customarily expected of a Program administrator.

“(3) DUTIES OF SERVICER.—The duties of a servicer shall include—

“(A) billing and collecting loan payments;

“(B) initiating collection activities on past-due loans;

“(C) transferring loan payments to the master servicing accounts;

“(D) loan administration and servicing;

“(E) systematic and timely reporting of loan performance through remittance and servicing reports;

“(F) proper measurement of annual outstanding loan requirements; and

“(G) all other duties and related services that are customarily expected of servicers.

“(4) DUTIES OF MASTER SERVICER.—The duties of a master servicer shall include—

“(A) tracking the movement of funds between the accounts of the master servicer and any other servicer;

“(B) ensuring orderly receipt of the monthly remittance and servicing reports of the servicer;

“(C) monitoring the collection comments and foreclosure actions;

“(D) aggregating the reporting and distribution of funds to trustees and investors;

“(E) removing and replacing a servicer, as necessary;

“(F) loan administration and servicing;

“(G) systematic and timely reporting of loan performance compiled from all bond servicers' reports;

“(H) proper distribution of funds to investors; and

“(I) all other duties and related services that are customarily expected of a master servicer.

“(g) FEES.—

“(1) IN GENERAL.—A qualified issuer that receives a guarantee issued under this section on a bond or note shall pay a fee to the Secretary, in an amount equal to 10 basis points of the amount of the unpaid principal of the bond or note guaranteed.

“(2) PAYMENT.—A qualified issuer shall pay the fee required under this subsection on an annual basis.

“(3) USE OF FEES.—Fees collected by the Secretary under this subsection shall be used to reimburse the Department of the Treasury for any administrative costs incurred by the Department in implementing the Program established under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to the Secretary, such sums as are necessary to carry out this section.

“(2) USE OF FEES.—To the extent that the amount of funds appropriated for a fiscal year under paragraph (1) are not sufficient to carry out this section, the Secretary may use the fees collected under subsection (g) for the cost of providing guarantees of bonds and notes under this section.

“(i) INVESTMENT IN GUARANTEED BONDS INELIGIBLE FOR COMMUNITY REINVESTMENT ACT PURPOSES.—Notwithstanding any other provision of law, any investment by a financial institution in bonds or notes guaranteed under the Program shall not be taken into account in assessing the record of such institution for purposes of the Community Reinvestment Act of 1977 (12 U.S.C. 2901).

“(j) ADMINISTRATION.—

“(1) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations to carry out this section.

“(2) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this section, the Secretary shall implement this section.

“(k) TERMINATION.—This section is repealed, and the authority provided under this section shall terminate, on September 30, 2014.”.

#### SEC. 1135. TEMPORARY EXPRESS LOAN ENHANCEMENT.

(a) IN GENERAL.—Section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$350,000” and inserting “\$1,000,000”.

(b) PROSPECTIVE REPEAL.—Effective 1 year after the date of enactment of this Act, section 7(a)(31)(D) of the Small Business Act (15 U.S.C. 636(a)(31)(D)) is amended by striking “\$1,000,000” and inserting “\$350,000”.

#### SEC. 1136. PROHIBITION ON USING TARP FUNDS OR TAX INCREASES.

(a) IN GENERAL.—Except as provided in subsection (b), nothing in section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections, shall be construed to limit the ability of Congress to appropriate funds.

(b) TARP FUNDS AND TAX INCREASES.—

(1) IN GENERAL.—Any covered amounts may not be used to carry out section 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1122, or 1131, or an amendment made by such sections.

(2) DEFINITION.—In this subsection, the term “covered amounts” means—

(A) the amounts made available to the Secretary of the Treasury under title I of the Emergency Economic Stabilization Act of 2008 (S.C. 5201 et seq.) to purchase (under section 101) or guarantee (under section 102) assets under that Act; and

(B) any revenue increase attributable to any amendment to the Internal Revenue Code of 1986 made during the period beginning on the date of enactment of this Act and ending on December 31, 2010.

#### Subtitle B—Small Business Trade and Exporting

##### SEC. 1201. SHORT TITLE.

This subtitle may be cited as the “Small Business Export Enhancement and International Trade Act of 2010”.

##### SEC. 1202. DEFINITIONS.

(a) DEFINITIONS.—In this subtitle—

(1) the term “Associate Administrator” means the Associate Administrator for International Trade appointed under section 22(a)(2) of the Small Business Act, as amended by this subtitle;

(2) the term “Export Assistance Center” means a one-stop shop referred to in section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8)); and

(3) the term “rural small business concern” means a small business concern located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

“(t) SMALL BUSINESS DEVELOPMENT CENTER.—In this Act, the term ‘small business development center’ means a small business development center described in section 21.

“(u) REGION OF THE ADMINISTRATION.—In this Act, the term ‘region of the Administration’ means the geographic area served by a regional office of the Administration established under section 4(a).”.

(2) CONFORMING AMENDMENT.—Section 4(b)(3)(B)(x) of the Small Business Act (15

U.S.C. 633(b)(3)(B)(x)) is amended by striking “Administration district and region” and inserting “district and region of the Administration”.

##### SEC. 1203. OFFICE OF INTERNATIONAL TRADE.

(a) ESTABLISHMENT.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking “SEC. 22. (a) There” and inserting the following:

##### “SEC. 22. OFFICE OF INTERNATIONAL TRADE.

“(a) ESTABLISHMENT.—

“(1) OFFICE.—There”; and

(2) in subsection (a)—

(A) in paragraph (1), as so designated, by striking the period and inserting “for the primary purposes of increasing—

“(A) the number of small business concerns that export; and

“(B) the volume of exports by small business concerns.”; and

(B) by adding at the end the following:

“(2) ASSOCIATE ADMINISTRATOR.—The head of the Office shall be the Associate Administrator for International Trade, who shall be responsible to the Administrator.”.

(b) AUTHORITY FOR ADDITIONAL ASSOCIATE ADMINISTRATOR.—Section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)) is amended—

(1) in the fifth sentence, by striking “five Associate Administrators” and inserting “Associate Administrators”; and

(2) by adding at the end the following: “One such Associate Administrator shall be the Associate Administrator for International Trade, who shall be the head of the Office of International Trade established under section 22.”.

(c) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended by adding at the end the following:

“(h) DISCHARGE OF INTERNATIONAL TRADE RESPONSIBILITIES OF ADMINISTRATION.—The Administrator shall ensure that—

“(1) the responsibilities of the Administration regarding international trade are carried out by the Associate Administrator;

“(2) the Associate Administrator has sufficient resources to carry out such responsibilities; and

“(3) the Associate Administrator has direct supervision and control over—

“(A) the staff of the Office; and

“(B) any employee of the Administration whose principal duty station is an Export Assistance Center, or any successor entity.”.

(d) ROLE OF ASSOCIATE ADMINISTRATOR IN CARRYING OUT INTERNATIONAL TRADE POLICY.—Section 2(b)(1) of the Small Business Act (15 U.S.C. 631(b)(1)) is amended in the matter preceding subparagraph (A)—

(1) by inserting “the Administrator of” before “the Small Business Administration”; and

(2) by inserting “through the Associate Administrator for International Trade, and” before “in cooperation with”.

(e) IMPLEMENTATION DATE.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall appoint an Associate Administrator for International Trade under section 22(a) of the Small Business Act (15 U.S.C. 649(a)), as added by this section.

##### SEC. 1204. DUTIES OF THE OFFICE OF INTERNATIONAL TRADE.

(a) AMENDMENTS TO SECTION 22.—Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) TRADE DISTRIBUTION NETWORK.—The Associate Administrator, working in close cooperation with the Secretary of Com-

merce, the United States Trade Representative, the Secretary of Agriculture, the Secretary of State, the President of the Export-Import Bank of the United States, the President of the Overseas Private Investment Corporation, Director of the United States Trade and Development Agency, and other relevant Federal agencies, small business development centers engaged in export promotion efforts, Export Assistance Centers, regional and district offices of the Administration, the small business community, and relevant State and local export promotion programs, shall—

“(1) maintain a distribution network, using regional and district offices of the Administration, the small business development center network, networks of women’s business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), and Export Assistance Centers, for programs relating to—

“(A) trade promotion;

“(B) trade finance;

“(C) trade adjustment assistance;

“(D) trade remedy assistance; and

“(E) trade data collection;

“(2) aggressively market the programs described in paragraph (1) and disseminate information, including computerized marketing data, to small business concerns on exporting trends, market-specific growth, industry trends, and international prospects for exports;

“(3) promote export assistance programs through the district and regional offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector; and

“(4) give preference in hiring or approving the transfer of any employee into the Office or to a position described in subsection (c)(9) to otherwise qualified applicants who are fluent in a language in addition to English, to—

“(A) accompany small business concerns on foreign trade missions; and

“(B) translate documents, interpret conversations, and facilitate multilingual transactions, including by providing referral lists for translation services, if required.”;

(2) in subsection (c)—

(A) by striking “(c) The Office” and inserting the following:

“(c) PROMOTION OF SALES OPPORTUNITIES.—The Associate Administrator”;

(B) by redesignating paragraphs (1) through (8) as paragraphs (2) through (9), respectively;

(C) by inserting before paragraph (2), as so redesignated, the following:

“(1) establish annual goals for the Office relating to—

“(A) enhancing the exporting capability of small business concerns and small manufacturers;

“(B) facilitating technology transfers;

“(C) enhancing programs and services to assist small business concerns and small manufacturers to compete effectively and efficiently against foreign entities;

“(D) increasing the ability of small business concerns to access capital; and

“(E) disseminating information concerning Federal, State, and private programs and initiatives.”;

(D) in paragraph (2), as so redesignated, by striking “mechanism for” and all that follows through “(D) assisting” and inserting the following: “mechanism for—

“(A) identifying subsectors of the small business community with strong export potential;

“(B) identifying areas of demand in foreign markets;

“(C) prescreening foreign buyers for commercial and credit purposes; and

“(D) assisting”;

(E) in paragraph (3), as so redesignated, by striking “assist small businesses in the formation and utilization of” and inserting “assist small business concerns in forming and using”;

(F) in paragraph (4), as so redesignated—  
(i) by striking “local” and inserting “district”;

(ii) by striking “existing”;

(iii) by striking “Small Business Development Center network” and inserting “small business development center network”;

(iv) by striking “Small Business Development Center Program” and inserting “small business development center program”;

(G) in paragraph (5), as so redesignated—

(i) in subparagraph (A), by striking “Gross State Produce” and inserting “Gross State Product”;

(ii) in subparagraph (B), by striking “SIC” each place it appears and inserting “North American Industry Classification System”;

(iii) in subparagraph (C), by striking “small businesses” and inserting “small business concerns”;

(H) in paragraph (6), as so redesignated, by striking the period at the end and inserting a semicolon;

(I) in paragraph (7), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by inserting “concerns” after “small business”;

(II) by striking “current” and inserting “up to date”;

(ii) in subparagraph (A), by striking “Administration’s regional offices” and inserting “regional and district offices of the Administration”;

(iii) in subparagraph (B) by striking “current”;

(iv) in subparagraph (C), by striking “current”;

(v) by striking “small businesses” each place that term appears and inserting “small business concerns”;

(J) in paragraph (8), as so redesignated, by striking and at the end;

(K) in paragraph (9), as so redesignated—

(i) in the matter preceding subparagraph (A)—

(I) by striking “full-time export development specialists to each Administration regional office and assigning”;

(II) by striking “person in each district office. Such specialists” and inserting “individual in each district office and providing each Administration regional office with a full-time export development specialist, who”;

(ii) in subparagraph (B)—

(I) by striking “current”;

(II) by striking “with” and inserting “in”;

(iii) in subparagraph (D)—

(I) by striking “Administration personnel involved in granting” and inserting “personnel of the Administration involved in making”;

(II) by striking “and” at the end;

(iv) in subparagraph (E)—

(I) by striking “small businesses’ needs” and inserting “the needs of small business concerns”;

(II) by striking the period at the end and inserting a semicolon;

(v) by adding at the end the following:

“(F) participate, jointly with employees of the Office, in an annual training program that focuses on current small business needs for exporting; and

“(G) develop and conduct training programs for exporters and lenders, in coopera-

tion with the Export Assistance Centers, the Department of Commerce, the Department of Agriculture, small business development centers, women’s business centers, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, and other relevant Federal agencies;”;

(vi) by striking “small businesses” each place that term appears and inserting “small business concerns”;

(L) by adding at the end the following:

“(10) make available on the website of the Administration the name and contact information of each individual described in paragraph (9);

“(11) carry out a nationwide marketing effort using technology, online resources, training, and other strategies to promote exporting as a business development opportunity for small business concerns;

“(12) disseminate information to the small business community through regional and district offices of the Administration, the small business development center network, Export Assistance Centers, the network of women’s business centers, chapters of the Service Corps of Retired Executives authorized by section 8(b)(1), State and local export promotion programs, and partners in the private sector regarding exporting trends, market-specific growth, industry trends, and prospects for exporting; and

“(13) establish and carry out training programs for the staff of the regional and district offices of the Administration and resource partners of the Administration on export promotion and providing assistance relating to exports.”;

(3) in subsection (d)—

(A) by redesignating paragraphs (1) through (5) as clauses (i) through (v), respectively, and adjusting the margins accordingly;

(B) by striking “(d) The Office” and inserting the following:

“(d) EXPORT FINANCING PROGRAMS.—

“(1) IN GENERAL.—The Associate Administrator”;

(C) by striking “To accomplish this goal, the Office shall work” and inserting the following:

“(2) TRADE FINANCE SPECIALIST.—To accomplish the goal established under paragraph (1), the Associate Administrator shall—

“(A) designate at least 1 individual within the Administration as a trade finance specialist to oversee international loan programs and assist Administration employees with trade finance issues; and

“(B) work”;

(4) in subsection (e), by striking “(e) The Office” and inserting the following:

“(e) TRADE REMEDIES.—The Associate Administrator”;

(5) by amending subsection (f) to read as follows:

“(f) REPORTING REQUIREMENT.—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

“(1) a description of the progress of the Office in implementing the requirements of this section;

“(2) a detailed account of the results of export growth activities of the Administration, including the activities of each district and regional office of the Administration, based on the performance measures described in subsection (i);

“(3) an estimate of the total number of jobs created or retained as a result of export assistance provided by the Administration and resource partners of the Administration;

“(4) for any travel by the staff of the Office, the destination of such travel and the benefits to the Administration and to small

business concerns resulting from such travel; and

“(5) a description of the participation by the Office in trade negotiations.”;

(6) in subsection (g), by striking “(g) The Office” and inserting the following:

“(g) STUDIES.—The Associate Administrator”;

(7) by adding after subsection (h), as added by section 1203 of this subtitle, the following:

“(i) EXPORT AND TRADE COUNSELING.—

“(1) DEFINITION.—In this subsection—

“(A) the term ‘lead small business development center’ means a small business development center that has received a grant from the Administration; and

“(B) the term ‘lead women’s business center’ means a women’s business center that has received a grant from the Administration.

“(2) CERTIFICATION PROGRAM.—The Administrator shall establish an export and trade counseling certification program to certify employees of lead small business development centers and lead women’s business centers in providing export assistance to small business concerns.

“(3) NUMBER OF CERTIFIED EMPLOYEES.—The Administrator shall ensure that the number of employees of each lead small business development center who are certified in providing export assistance is not less than the lesser of—

“(A) 5; or

“(B) 10 percent of the total number of employees of the lead small business development center.

“(4) REIMBURSEMENT FOR CERTIFICATION.—

“(A) IN GENERAL.—Subject to the availability of appropriations, the Administrator shall reimburse a lead small business development center or a lead women’s business center for costs relating to the certification of an employee of the lead small business center or lead women’s business center in providing export assistance under the program established under paragraph (2).

“(B) LIMITATION.—The total amount reimbursed by the Administrator under subparagraph (A) may not exceed \$350,000 in any fiscal year.

“(j) PERFORMANCE MEASURES.—

“(1) IN GENERAL.—The Associate Administrator shall develop performance measures for the Administration to support export growth goals for the activities of the Office under this section that include—

“(A) the number of small business concerns that—

“(i) receive assistance from the Administration;

“(ii) had not exported goods or services before receiving the assistance described in clause (i); and

“(iii) export goods or services;

“(B) the number of small business concerns receiving assistance from the Administration that export goods or services to a market outside the United States into which the small business concern did not export before receiving the assistance;

“(C) export revenues by small business concerns assisted by programs of the Administration;

“(D) the number of small business concerns referred to an Export Assistance Center or a small business development center by the staff of the Office;

“(E) the number of small business concerns referred to the Administration by an Export Assistance Center or a small business development center; and

“(F) the number of small business concerns referred to the Department of Commerce, the Department of Agriculture, the Department of State, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the United States



Trade and Development Agency by the staff of the Office, an Export Assistance Center, or a small business development center.

“(2) JOINT PERFORMANCE MEASURES.—The Associate Administrator shall develop joint performance measures for the district offices of the Administration and the Export Assistance Centers that include the number of export loans made under—

“(A) section 7(a)(16);

“(B) the Export Working Capital Program established under section 7(a)(14);

“(C) the Preferred Lenders Program, as defined in section 7(a)(2)(C)(ii); and

“(D) the export express program established under section 7(a)(34).

“(3) CONSISTENCY OF TRACKING.—The Associate Administrator, in coordination with the departments and agencies that are represented on the Trade Promotion Coordinating Committee established under section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) and the small business development center network, shall develop a system to track exports by small business concerns, including information relating to the performance measures developed under paragraph (1), that is consistent with systems used by the departments and agencies and the network.”

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on any travel by the staff of the Office of International Trade of the Administration, during the period beginning on October 1, 2004, and ending on the date of enactment of the Act, including the destination of such travel and the benefits to the Administration and to small business concerns resulting from such travel.

#### SEC. 1205. EXPORT ASSISTANCE CENTERS.

(a) EXPORT ASSISTANCE CENTERS.—Section 22 of the Small Business Act (15 U.S.C. 649), as amended by this subtitle, is amended by adding at the end the following:

“(k) EXPORT ASSISTANCE CENTERS.—

“(1) EXPORT FINANCE SPECIALISTS.—

“(A) MINIMUM NUMBER OF EXPORT FINANCE SPECIALISTS.—On and after the date that is 90 days after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that the number of export finance specialists is not less than the number of such employees so assigned on January 1, 2003.

“(B) EXPORT FINANCE SPECIALISTS ASSIGNED TO EACH REGION OF THE ADMINISTRATION.—On and after the date that is 2 years after the date of enactment of this subsection, the Administrator, in coordination with the Secretary of Commerce, shall ensure that there are not fewer than 3 export finance specialists in each region of the Administration.

“(2) PLACEMENT OF EXPORT FINANCE SPECIALISTS.—

“(A) PRIORITY.—The Administrator shall give priority, to the maximum extent practicable, to placing employees of the Administration at any Export Assistance Center that—

“(i) had an Administration employee assigned to the Export Assistance Center before January 2003; and

“(ii) has not had an Administration employee assigned to the Export Assistance Center during the period beginning January 2003, and ending on the date of enactment of this subsection, either through retirement or reassignment.

“(B) NEEDS OF EXPORTERS.—The Administrator shall, to the maximum extent practicable, strategically assign Administration employees to Export Assistance Centers, based on the needs of exporters.

“(C) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to require the Administrator to reassign or remove an export finance specialist who is assigned to an Export Assistance Center on the date of enactment of this subsection.

“(3) GOALS.—The Associate Administrator shall work with the Department of Commerce, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation to establish shared annual goals for the Export Assistance Centers.

“(4) OVERSIGHT.—The Associate Administrator shall designate an individual within the Administration to oversee all activities conducted by Administration employees assigned to Export Assistance Centers.

“(1) DEFINITIONS.—In this section—

“(1) the term ‘Associate Administrator’ means the Associate Administrator for International Trade described in subsection (a)(2);

“(2) the term ‘Export Assistance Center’ means a one-stop shop for United States exporters established by the United States and Foreign Commercial Service of the Department of Commerce pursuant to section 2301(b)(8) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4721(b)(8));

“(3) the term ‘export finance specialist’ means a full-time equivalent employee of the Office assigned to an Export Assistance Center to carry out the duties described in subsection (e); and

“(4) the term ‘Office’ means the Office of International Trade established under subsection (a)(1).”

(b) STUDY AND REPORT ON FILLING GAPS IN HIGH-AND-LOW-EXPORT VOLUME AREAS.—

(1) STUDY AND REPORT.—Not later than 6 months after the date of enactment of this Act, and every 2 years thereafter, the Administrator shall—

(A) conduct a study of—

(i) the volume of exports for each State;

(ii) the availability of export finance specialists in each State;

(iii) the number of exporters in each State that are small business concerns;

(iv) the percentage of exporters in each State that are small business concerns;

(v) the change, if any, in the number of exporters that are small business concerns in each State—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and

(II) for each subsequent study, during the 10-year period ending on the date the study is commenced;

(vi) the total value of the exports in each State by small business concerns;

(vii) the percentage of the total volume of exports in each State that is attributable to small business concerns; and

(viii) the change, if any, in the percentage of the total volume of exports in each State that is attributable to small business concerns—

(I) for the first study conducted under this subparagraph, during the 10-year period ending on the date of enactment of this Act; and

(II) for each subsequent study, during the 10-year period ending on the date the study is commenced; and

(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—

(i) the results of the study under subparagraph (A);

(ii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the greatest volume of exports,

based upon the most recent data available from the Department of Commerce;

(iii) to the extent practicable, a recommendation regarding how to eliminate gaps between the supply of and demand for export finance specialists in the 15 States that have the lowest volume of exports, based upon the most recent data available from the Department of Commerce; and

(iv) such additional information as the Administrator determines is appropriate.

(2) DEFINITION.—In this subsection, the term “export finance specialist” has the meaning given that term in section 22(1) of the Small Business Act, as added by this title.

#### SEC. 1206. INTERNATIONAL TRADE FINANCE PROGRAMS.

(a) LOAN LIMITS.—

(1) TOTAL AMOUNT OUTSTANDING.—Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended by striking “\$1,750,000, of which not more than \$1,250,000” and inserting “\$4,500,000 (or if the gross loan amount would exceed \$5,000,000, of which not more than \$4,000,000)”,

(2) PARTICIPATION.—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i), by striking “subparagraph (B)” and inserting “subparagraphs (B), (D), and (E)”; and

(B) in subparagraph (D), by striking “Notwithstanding subparagraph (A), in” and inserting “In”; and

(C) by adding at the end the following:

“(E) PARTICIPATION IN INTERNATIONAL TRADE LOAN.—In an agreement to participate in a loan on a deferred basis under paragraph (16), the participation by the Administration may not exceed 90 percent.”

(b) WORKING CAPITAL.—Section 7(a)(16)(A) of the Small Business Act (15 U.S.C. 636(a)(16)(A)) is amended—

(1) in the matter preceding clause (i), by striking “in—” and inserting “—”;

(2) in clause (i)—

(A) by inserting “in” after “(i)”; and

(B) by striking “or” at the end;

(3) in clause (ii)—

(A) by inserting “in” after “(ii)”; and

(B) by striking the period at the end and inserting “, including any debt that qualifies for refinancing under any other provision of this subsection; or”; and

(4) by adding at the end the following:

“(iii) by providing working capital.”

(c) COLLATERAL.—Section 7(a)(16)(B) of the Small Business Act (15 U.S.C. 636(a)(16)(B)) is amended—

(1) by striking “Each loan” and inserting the following:

“(i) IN GENERAL.—Except as provided in clause (ii), each loan”; and

(2) by adding at the end the following:

“(ii) EXCEPTION.—A loan under this paragraph may be secured by a second lien position on the property or equipment financed by the loan or on other assets of the small business concern, if the Administrator determines the lien provides adequate assurance of the payment of the loan.”

(d) EXPORT WORKING CAPITAL PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) in paragraph (2)(D), by striking “not exceed” and inserting “be”; and

(2) in paragraph (14)—

(A) by striking “(A) The Administration” and inserting the following: “EXPORT WORKING CAPITAL PROGRAM.—

“(A) IN GENERAL.—The Administrator”; and

(B) by striking “(B) When considering” and inserting the following:

“(C) CONSIDERATIONS.—When considering”; and

(C) by striking “(C) The Administration” and inserting the following:

“(D) MARKETING.—The Administrator”; and

(D) by inserting after subparagraph (A) the following:

“(B) TERMS.—

“(i) LOAN AMOUNT.—The Administrator may not guarantee a loan under this paragraph of more than \$5,000,000.

“(ii) FEES.—

“(I) IN GENERAL.—For a loan under this paragraph, the Administrator shall collect the fee assessed under paragraph (23) not more frequently than once each year.

“(II) UNTAPPED CREDIT.—The Administrator may not assess a fee on capital that is not accessed by the small business concern.”.

(e) PARTICIPATION IN PREFERRED LENDERS PROGRAM.—Section 7(a)(2)(C) of the Small Business Act (15 U.S.C. 636(a)(2)(C)) is amended—

(1) by redesignating clause (ii) as clause (iii); and

(2) by inserting after clause (i) the following:

“(ii) EXPORT-IMPORT BANK LENDERS.—Any lender that is participating in the Delegated Authority Lender Program of the Export-Import Bank of the United States (or any successor to the Program) shall be eligible to participate in the Preferred Lenders Program.”.

(f) EXPORT EXPRESS PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

“(35) EXPORT EXPRESS PROGRAM.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘export development activity’ includes—

“(I) obtaining a standby letter of credit when required as a bid bond, performance bond, or advance payment guarantee;

“(II) participation in a trade show that takes place outside the United States;

“(III) translation of product brochures or catalogues for use in markets outside the United States;

“(IV) obtaining a general line of credit for export purposes;

“(V) performing a service contract from buyers located outside the United States;

“(VI) obtaining transaction-specific financing associated with completing export orders;

“(VII) purchasing real estate or equipment to be used in the production of goods or services for export;

“(VIII) providing term loans or other financing to enable a small business concern, including an export trading company and an export management company, to develop a market outside the United States; and

“(IX) acquiring, constructing, renovating, modernizing, improving, or expanding a production facility or equipment to be used in the United States in the production of goods or services for export; and

“(ii) the term ‘express loan’ means a loan in which a lender uses to the maximum extent practicable the loan analyses, procedures, and documentation of the lender to provide expedited processing of the loan application.

“(B) AUTHORITY.—The Administrator may guarantee the timely payment of an express loan to a small business concern made for an export development activity.

“(C) LEVEL OF PARTICIPATION.—

“(i) MAXIMUM AMOUNT.—The maximum amount of an express loan guaranteed under this paragraph shall be \$500,000.

“(ii) PERCENTAGE.—For an express loan guaranteed under this paragraph, the Administrator shall guarantee—

“(I) 90 percent of a loan that is not more than \$350,000; and

“(II) 75 percent of a loan that is more than \$350,000 and not more than \$500,000.”.

(g) ANNUAL LISTING OF EXPORT FINANCE LENDERS.—Section 7(a)(16) of the Small Business Act (15 U.S.C. 636(a)(16)) is amended by adding at the end the following:

“(F) LIST OF EXPORT FINANCE LENDERS.—

“(i) PUBLICATION OF LIST REQUIRED.—The Administrator shall publish an annual list of the banks and participating lending institutions that, during the 1-year period ending on the date of publication of the list, have made loans guaranteed by the Administration under—

“(I) this paragraph;

“(II) paragraph (14); or

“(III) paragraph (34).

“(ii) AVAILABILITY OF LIST.—The Administrator shall—

“(I) post the list published under clause (i) on the website of the Administration; and

“(II) make the list published under clause (i) available, upon request, at each district office of the Administration.”.

(h) APPLICABILITY.—The amendments made by subsections (a) through (f) shall apply with respect to any loan made after the date of enactment of this Act.

#### SEC. 1207. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “eligible small business concern” means a small business concern that—

(A) has been in business for not less than the 1-year period ending on the date on which assistance is provided using a grant under this section;

(B) is operating profitably, based on operations in the United States;

(C) has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping, as determined by the Associate Administrator; and

(D) has in effect a strategic plan for exporting;

(2) the term “program” means the State Trade and Export Promotion Grant Program established under subsection (b);

(3) the term “small business concern owned and controlled by women” has the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632);

(4) the term “socially and economically disadvantaged small business concern” has the meaning given that term in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 6337(a)(4)(A)); and

(5) the term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(b) ESTABLISHMENT OF PROGRAM.—The Associate Administrator shall establish a 3-year trade and export promotion pilot program to be known as the State Trade and Export Promotion Grant Program, to make grants to States to carry out export programs that assist eligible small business concerns in—

(1) participation in a foreign trade mission;

(2) a foreign market sales trip;

(3) a subscription to services provided by the Department of Commerce;

(4) the payment of website translation fees;

(5) the design of international marketing media;

(6) a trade show exhibition;

(7) participation in training workshops; or

(8) any other export initiative determined appropriate by the Associate Administrator.

(c) GRANTS.—

(1) JOINT REVIEW.—In carrying out the program, the Associate Administrator may make a grant to a State to increase the number of eligible small business concerns in the State that export or to increase the value of

the exports by eligible small business concerns in the State.

(2) CONSIDERATIONS.—In making grants under this section, the Associate Administrator may give priority to an application by a State that proposes a program that—

(A) focuses on eligible small business concerns as part of an export promotion program;

(B) demonstrates success in promoting exports by—

(i) socially and economically disadvantaged small business concerns;

(ii) small business concerns owned or controlled by women; and

(iii) rural small business concerns;

(C) promotes exports from a State that is not 1 of the 10 States with the highest percentage of exporters that are small business concerns, based upon the latest data available from the Department of Commerce; and

(D) promotes new-to-market export opportunities to the People's Republic of China for eligible small business concerns in the United States.

(3) LIMITATIONS.—

(A) SINGLE APPLICATION.—A State may not submit more than 1 application for a grant under the program in any 1 fiscal year.

(B) PROPORTION OF AMOUNTS.—The total value of grants under the program made during a fiscal year to the 10 States with the highest number of exporters that are small business concerns, based upon the latest data available from the Department of Commerce, shall be not more than 40 percent of the amounts appropriated for the program for that fiscal year.

(4) APPLICATION.—A State desiring a grant under the program shall submit an application at such time, in such manner, and accompanied by such information as the Associate Administrator may establish.

(d) COMPETITIVE BASIS.—The Associate Administrator shall award grants under the program on a competitive basis.

(e) FEDERAL SHARE.—The Federal share of the cost of an export program carried out using a grant under the program shall be—

(1) for a State that has a high export volume, as determined by the Associate Administrator, not more than 65 percent; and

(2) for a State that does not have a high export volume, as determined by the Associate Administrator, not more than 75 percent.

(f) NON-FEDERAL SHARE.—The non-Federal share of the cost of an export program carried using a grant under the program shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

(g) REPORTS.—

(1) INITIAL REPORT.—Not later than 120 days after the date of enactment of this Act, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report, which shall include—

(A) a description of the structure of and procedures for the program;

(B) a management plan for the program; and

(C) a description of the merit-based review process to be used in the program.

(2) ANNUAL REPORTS.—The Associate Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the program, which shall include—

(A) the number and amount of grants made under the program during the preceding year;

(B) a list of the States receiving a grant under the program during the preceding year, including the activities being performed with grant; and

(C) the effect of each grant on exports by eligible small business concerns in the State receiving the grant.

(h) **REVIEWS BY INSPECTOR GENERAL.**—

(1) **IN GENERAL.**—The Inspector General of the Administration shall conduct a review of—

(A) the extent to which recipients of grants under the program are measuring the performance of the activities being conducted and the results of the measurements; and

(B) the overall management and effectiveness of the program.

(2) **REPORT.**—Not later than September 30, 2012, the Inspector General of the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the review conducted under paragraph (1).

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out the program \$30,000,000 for each of fiscal years 2011, 2012, and 2013.

(j) **TERMINATION.**—The authority to carry out the program shall terminate 3 years after the date on which the Associate Administrator establishes the program.

#### **SEC. 1208. RURAL EXPORT PROMOTION.**

Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Agriculture and the Secretary of Commerce, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that contains—

(1) a description of each program of the Administration that promotes exports by rural small business concerns, including—

(A) the number of rural small business concerns served by the program;

(B) the change, if any, in the number of rural small business concerns as a result of participation in the program during the 10-year period ending on the date of enactment of this Act;

(C) the volume of exports by rural small business concerns that participate in the program; and

(D) the change, if any, in the volume of exports by rural small businesses that participate in the program during the 10-year period ending on the date of enactment of this Act;

(2) a description of the coordination between programs of the Administration and other Federal programs that promote exports by rural small business concerns;

(3) recommendations, if any, for improving the coordination described in paragraph (2);

(4) a description of any plan by the Administration to market the international trade financing programs of the Administration through lenders that—

(A) serve rural small business concerns; and

(B) are associated with financing programs of the Department of Agriculture;

(5) recommendations, if any, for improving coordination between the counseling programs and export financing programs of the Administration, in order to increase the volume of exports by rural small business concerns; and

(6) any additional information the Administrator determines is necessary.

#### **SEC. 1209. INTERNATIONAL TRADE COOPERATION BY SMALL BUSINESS DEVELOPMENT CENTERS.**

Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) by striking “(2) The Small Business Development Centers” and inserting the following:

“(2) COOPERATION TO PROVIDE INTERNATIONAL TRADE SERVICES.—

“(A) INFORMATION AND SERVICES.—The small business development centers”; and

(2) in paragraph (2)—

(A) in subparagraph (A), as so designated, by inserting “(including State trade agencies),” after “local agencies”; and

(B) by adding at the end the following:

“(B) COOPERATION WITH STATE TRADE AGENCIES AND EXPORT ASSISTANCE CENTERS.—A small business development center that counsels a small business concern on issues relating to international trade shall—

“(i) consult with State trade agencies and Export Assistance Centers to provide appropriate services to the small business concern; and

“(ii) as necessary, refer the small business concern to a State trade agency or an Export Assistance Center for further counseling or assistance.

“(C) DEFINITION.—In this paragraph, the term ‘Export Assistance Center’ has the same meaning as in section 22.”.

#### **Subtitle C—Small Business Contracting PART I—CONTRACT BUNDLING**

##### **SEC. 1311. SMALL BUSINESS ACT.**

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1202, is amended by adding at the end the following:

“(v) **MULTIPLE AWARD CONTRACT.**—In this Act, the term ‘multiple award contract’ means—

“(1) a multiple award task order contract or delivery order contract that is entered into under the authority of sections 303H through 303K of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h through 253k); and

“(2) any other indefinite delivery, indefinite quantity contract that is entered into by the head of a Federal agency with 2 or more sources pursuant to the same solicitation.”.

##### **SEC. 1312. LEADERSHIP AND OVERSIGHT.**

(a) **IN GENERAL.**—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following:

“(g) **BUNDLING ACCOUNTABILITY MEASURES.**—

“(1) **TEAMING REQUIREMENTS.**—Each Federal agency shall include in each solicitation for any multiple award contract above the substantial bundling threshold of the Federal agency a provision soliciting bids from any responsible source, including responsible small business concerns and teams or joint ventures of small business concerns.

“(2) **POLICIES ON REDUCTION OF CONTRACT BUNDLING.**—

“(A) **IN GENERAL.**—Not later than 1 year after the date of enactment of this subsection, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 4219(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) establish a Government-wide policy regarding contract bundling, including regarding the solicitation of teaming and joint ventures under paragraph (1); and

“(ii) require that the policy established under clause (i) be published on the website of each Federal agency.

“(B) **RATIONALE FOR CONTRACT BUNDLING.**—Not later than 30 days after the date on which the head of a Federal agency submits

data certifications to the Administrator for Federal Procurement Policy, the head of the Federal agency shall publish on the website of the Federal agency a list and rationale for any bundled contract for which the Federal agency solicited bids or that was awarded by the Federal agency.

“(3) **REPORTING.**—Not later than 90 days after the date of enactment of this subsection, and every 3 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding procurement center representatives and commercial market representatives, which shall—

“(A) identify each area for which the Administration has assigned a procurement center representative or a commercial market representative;

“(B) explain why the Administration selected the areas identified under subparagraph (A); and

“(C) describe the activities performed by procurement center representatives and commercial market representatives.”.

(b) **TECHNICAL CORRECTION.**—Section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended by striking “Administrator of the Office of Federal Procurement Policy” each place it appears and inserting “Administrator for Federal Procurement Policy”.

(c) **REPORT.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report regarding the procurement center representative program of the Administration.

(2) **CONTENTS.**—The report submitted under paragraph (1) shall—

(A) address ways to improve the effectiveness of the procurement center representative program in helping small business concerns obtain Federal contracts;

(B) evaluate the effectiveness of procurement center representatives and commercial marketing representatives; and

(C) include recommendations, if any, on how to improve the procurement center representative program.

(d) **ELECTRONIC PROCUREMENT CENTER REPRESENTATIVE.**—

(1) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Administrator shall implement a 3-year pilot electronic procurement center representative program.

(2) **REPORT.**—Not later than 30 days after the pilot program under paragraph (1) ends, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the pilot program.

##### **SEC. 1313. CONSOLIDATION OF CONTRACT REQUIREMENTS.**

(a) **IN GENERAL.**—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 44 as section 45; and

(2) by inserting after section 43 the following:

##### **“SEC. 44. CONSOLIDATION OF CONTRACT REQUIREMENTS.**

“(a) **DEFINITIONS.**—In this section—

“(1) the term ‘Chief Acquisition Officer’ means the employee of a Federal agency designated as the Chief Acquisition Officer for the Federal agency under section 16(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(a));

“(2) the term ‘consolidation of contract requirements’, with respect to contract requirements of a Federal agency, means a use

of a solicitation to obtain offers for a single contract or a multiple award contract to satisfy 2 or more requirements of the Federal agency for goods or services that have been provided to or performed for the Federal agency under 2 or more separate contracts lower in cost than the total cost of the contract for which the offers are solicited; and

“(3) the term ‘senior procurement executive’ means an official designated under section 16(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(c)) as the senior procurement executive for a Federal agency.

“(b) **POLICY.**—The head of each Federal agency shall ensure that the decisions made by the Federal agency regarding consolidation of contract requirements of the Federal agency are made with a view to providing small business concerns with appropriate opportunities to participate as prime contractors and subcontractors in the procurements of the Federal agency.

“(c) **LIMITATION ON USE OF ACQUISITION STRATEGIES INVOLVING CONSOLIDATION.**—

“(1) **IN GENERAL.**—Subject to paragraph (4), the head of a Federal agency may not carry out an acquisition strategy that includes a consolidation of contract requirements of the Federal agency with a total value of more than \$2,000,000, unless the senior procurement executive or Chief Acquisition Officer for the Federal agency, before carrying out the acquisition strategy—

“(A) conducts market research;

“(B) identifies any alternative contracting approaches that would involve a lesser degree of consolidation of contract requirements;

“(C) makes a written determination that the consolidation of contract requirements is necessary and justified;

“(D) identifies any negative impact by the acquisition strategy on contracting with small business concerns; and

“(E) certifies to the head of the Federal agency that steps will be taken to include small business concerns in the acquisition strategy.

“(2) **DETERMINATION THAT CONSOLIDATION IS NECESSARY AND JUSTIFIED.**—

“(A) **IN GENERAL.**—A senior procurement executive or Chief Acquisition Officer may determine that an acquisition strategy involving a consolidation of contract requirements is necessary and justified for the purposes of paragraph (1)(C) if the benefits of the acquisition strategy substantially exceed the benefits of each of the possible alternative contracting approaches identified under paragraph (1)(B).

“(B) **SAVINGS IN ADMINISTRATIVE OR PERSONNEL COSTS.**—For purposes of subparagraph (A), savings in administrative or personnel costs alone do not constitute a sufficient justification for a consolidation of contract requirements in a procurement unless the expected total amount of the cost savings, as determined by the senior procurement executive or Chief Acquisition Officer, is expected to be substantial in relation to the total cost of the procurement.

“(3) **BENEFITS TO BE CONSIDERED.**—The benefits considered for the purposes of paragraphs (1) and (2) may include cost and, regardless of whether quantifiable in dollar amounts—

“(A) quality;

“(B) acquisition cycle;

“(C) terms and conditions; and

“(D) any other benefit.

“(4) **DEPARTMENT OF DEFENSE.**—

“(A) **IN GENERAL.**—The Department of Defense and each military department shall comply with this section until after the date described in subparagraph (C).

“(B) **RULE.**—After the date described in subparagraph (C), contracting by the Depart-

ment of Defense or a military department shall be conducted in accordance with section 2382 of title 10, United States Code.

“(C) **DATE.**—The date described in this subparagraph is the date on which the Administrator determines the Department of Defense or a military department is in compliance with the Government-wide contracting goals under section 15.”

(b) **TECHNICAL AND CONFORMING AMENDMENT.**—Section 2382(b)(1) of title 10, United States Code, is amended by striking “An official” and inserting “Subject to section 44(c)(4), an official”.

#### **SEC. 1314. SMALL BUSINESS TEAMS PILOT PROGRAM.**

(a) **DEFINITIONS.**—In this section—

(1) the term “Pilot Program” means the Small Business Teaming Pilot Program established under subsection (b); and

(2) the term “eligible organization” means a well-established national organization for small business concerns with the capacity to provide assistance to small business concerns (which may be provided with the assistance of the Administrator) relating to—

(A) customer relations and outreach;

(B) team relations and outreach; and

(C) performance measurement and quality assurance.

(b) **ESTABLISHMENT.**—The Administrator shall establish a Small Business Teaming Pilot Program for teaming and joint ventures involving small business concerns.

(c) **GRANTS.**—Under the Pilot Program, the Administrator may make grants to eligible organizations to provide assistance and guidance to teams of small business concerns seeking to compete for larger procurement contracts.

(d) **CONTRACTING OPPORTUNITIES.**—The Administrator shall work with eligible organizations receiving a grant under the Pilot Program to recommend appropriate contracting opportunities for teams or joint ventures of small business concerns.

(e) **REPORT.**—Not later than 1 year before the date on which the authority to carry out the Pilot Program terminates under subsection (f), the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the effectiveness of the Pilot Program.

(f) **TERMINATION.**—The authority to carry out the Pilot Program shall terminate 5 years after the date of enactment of this Act.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for grants under subsection (c) \$5,000,000 for each of fiscal years 2010 through 2015.

#### **PART II—SUBCONTRACTING INTEGRITY**

##### **SEC. 1321. SUBCONTRACTING MISREPRESENTATIONS.**

Not later than 1 year after the date of enactment of this Act, the Administrator, in consultation with the Administrator for Federal Procurement Policy, shall promulgate regulations relating to, and the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to establish a policy on, subcontracting compliance relating to small business concerns, including assignment of compliance responsibilities between contracting offices, small business offices, and program offices and periodic oversight and review activities.

##### **SEC. 1322. SMALL BUSINESS SUBCONTRACTING IMPROVEMENTS.**

Section 8(d)(6) of the Small Business Act (15 U.S.C. 637(d)(6)) is amended—

(1) in subparagraph (E), by striking “and” at the end;

(2) in subparagraph (F), by striking the period at the end and inserting “; and”; and

(3) by adding at the end, the following:

“(G) a representation that the offeror or bidder will—

“(i) make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns used in preparing and submitting to the contracting agency the bid or proposal, in the same amount and quality used in preparing and submitting the bid or proposal; and

“(ii) provide to the contracting officer a written explanation if the offeror or bidder fails to acquire articles, equipment, supplies, services, or materials or obtain the performance of construction work as described in clause (i).”

#### **PART III—ACQUISITION PROCESS**

##### **SEC. 1331. RESERVATION OF PRIME CONTRACT AWARDS FOR SMALL BUSINESSES.**

Section 15 of the Small Business Act (15 U.S.C. 644), as amended by this Act, is amended by adding at the end the following:

“(r) **MULTIPLE AWARD CONTRACTS.**—Not later than 1 year after the date of enactment of this subsection, the Administrator for Federal Procurement Policy and the Administrator, in consultation with the Administrator of General Services, shall, by regulation, establish guidance under which Federal agencies may, at their discretion—

“(1) set aside part or parts of a multiple award contract for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2);

“(2) notwithstanding the fair opportunity requirements under section 2304(c)(b) of title 10, United States Code, and section 303J(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253j(b)), set aside orders placed against multiple award contracts for small business concerns, including the subcategories of small business concerns identified in subsection (g)(2); and

“(3) reserve 1 or more contract awards for small business concerns under full and open multiple award procurements, including the subcategories of small business concerns identified in subsection (g)(2).”

##### **SEC. 1332. MICRO-PURCHASE GUIDELINES.**

Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget, in coordination with the Administrator of General Services, shall issue guidelines regarding the analysis of purchase card expenditures to identify opportunities for achieving and accurately measuring fair participation of small business concerns in purchases in an amount not in excess of the micro-purchase threshold, as defined in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) (in this section referred to as “micro-purchases”), consistent with the national policy on small business participation in Federal procurements set forth in sections 2(a) and 15(g) of the Small Business Act (15 U.S.C. 631(a) and 644(g)), and dissemination of best practices for participation of small business concerns in micro-purchases.

##### **SEC. 1333. AGENCY ACCOUNTABILITY.**

Section 15(g)(2) of the Small Business Act (15 U.S.C. 644(g)(2)) is amended—

(1) by inserting “(A)” after “(2)”;

(2) by striking “Goals established” and inserting the following:

“(B) Goals established”;

(3) by striking “Whenever” and inserting the following:

“(C) Whenever”;

(4) by striking “For the purpose of” and inserting the following:

“(D) For the purpose of”;

(5) by striking “The head of each Federal agency, in attempting to attain such participation” and inserting the following:

“(E) The head of each Federal agency, in attempting to attain the participation described in subparagraph (D)”.

(6) in subparagraph (E), as so designated—

(A) by striking “(A) contracts” and inserting “(i) contracts”; and

(B) by striking “(B) contracts” and inserting “(ii) contracts”; and

(7) by adding at the end the following:

“(F)(i) Each procurement employee or program manager described in clause (ii) shall communicate to the subordinates of the procurement employee or program manager the importance of achieving small business goals.

“(ii) A procurement employee or program manager described in this clause is a senior procurement executive, senior program manager, or Director of Small and Disadvantaged Business Utilization of a Federal agency having contracting authority.”.

#### SEC. 1334. PAYMENT OF SUBCONTRACTORS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended by adding at the end the following:

“(12) PAYMENT OF SUBCONTRACTORS.—

“(A) DEFINITION.—In this paragraph, the term ‘covered contract’ means a contract relating to which a prime contractor is required to develop a subcontracting plan under paragraph (4) or (5).

“(B) NOTICE.—

“(i) IN GENERAL.—A prime contractor for a covered contract shall notify in writing the contracting officer for the covered contract if the prime contractor pays a reduced price to a subcontractor for goods and services upon completion of the responsibilities of the subcontractor or the payment to a subcontractor is more than 90 days past due for goods or services provided for the covered contract for which the Federal agency has paid the prime contractor.

“(ii) CONTENTS.—A prime contractor shall include the reason for the reduction in a payment to or failure to pay a subcontractor in any notice made under clause (i).

“(C) PERFORMANCE.—A contracting officer for a covered contract shall consider the unjustified failure by a prime contractor to make a full or timely payment to a subcontractor in evaluating the performance of the prime contractor.

“(D) CONTROL OF FUNDS.—If the contracting officer for a covered contract determines that a prime contractor has a history of unjustified, untimely payments to contractors, the contracting officer shall record the identity of the contractor in accordance with the regulations promulgated under subparagraph (E).

“(E) REGULATIONS.—Not later than 1 year after the date of enactment of this paragraph, the Federal Acquisition Regulatory Council established under section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall amend the Federal Acquisition Regulation issued under section 25 of such Act to—

“(i) describe the circumstances under which a contractor may be determined to have a history of unjustified, untimely payments to subcontractors;

“(ii) establish a process for contracting officers to record the identity of a contractor described in clause (i); and

“(iii) require the identity of a contractor described in clause (i) to be incorporated in, and made publicly available through, the Federal Awardee Performance and Integrity Information System, or any successor thereto.”.

#### SEC. 1335. REPEAL OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Business Opportunity Development Reform Act of 1988 (Public Law 100-656) is amended by striking title VII (15 U.S.C. 644 note).

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by this section—

(1) shall take effect on the date of enactment of this Act; and

(2) apply to the first full fiscal year after the date of enactment of this Act.

#### PART IV—SMALL BUSINESS SIZE AND STATUS INTEGRITY

##### SEC. 1341. POLICY AND PRESUMPTIONS.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1311, is amended by adding at the end the following:

“(w) PRESUMPTION.—

“(1) IN GENERAL.—In every contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant which is set aside, reserved, or otherwise classified as intended for award to small business concerns, there shall be a presumption of loss to the United States based on the total amount expended on the contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant whenever it is established that a business concern other than a small business concern willfully sought and received the award by misrepresentation.

“(2) DEEMED CERTIFICATIONS.—The following actions shall be deemed affirmative, willful, and intentional certifications of small business size and status:

“(A) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement reserved, set aside, or otherwise classified as intended for award to small business concerns.

“(B) Submission of a bid or proposal for a Federal grant, contract, subcontract, cooperative agreement, or cooperative research and development agreement which in any way encourages a Federal agency to classify the bid or proposal, if awarded, as an award to a small business concern.

“(C) Registration on any Federal electronic database for the purpose of being considered for award of a Federal grant, contract, subcontract, cooperative agreement, or cooperative research agreement, as a small business concern.

“(3) CERTIFICATION BY SIGNATURE OF RESPONSIBLE OFFICIAL.—

“(A) IN GENERAL.—Each solicitation, bid, or application for a Federal contract, subcontract, or grant shall contain a certification concerning the small business size and status of a business concern seeking the Federal contract, subcontract, or grant.

“(B) CONTENT OF CERTIFICATIONS.—A certification that a business concern qualifies as a small business concern of the exact size and status claimed by the business concern for purposes of bidding on a Federal contract or subcontract, or applying for a Federal grant, shall contain the signature of an authorized official on the same page on which the certification is contained.

“(4) REGULATIONS.—The Administrator shall promulgate regulations to provide adequate protections to individuals and business concerns from liability under this subsection in cases of unintentional errors, technical malfunctions, and other similar situations.”.

##### SEC. 1342. ANNUAL CERTIFICATION.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1341, is amended by adding at the end the following:

“(x) ANNUAL CERTIFICATION.—

“(1) IN GENERAL.—Each business certified as a small business concern under this Act

shall annually certify its small business size and, if appropriate, its small business status, by means of a confirming entry on the Online Representations and Certifications Application database of the Administration, or any successor thereto.

“(2) REGULATIONS.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Inspector General and the Chief Counsel for Advocacy of the Administration, shall promulgate regulations to ensure that—

“(A) no business concern continues to be certified as a small business concern on the Online Representations and Certifications Application database of the Administration, or any successor thereto, without fulfilling the requirements for annual certification under this subsection; and

“(B) the requirements of this subsection are implemented in a manner presenting the least possible regulatory burden on small business concerns.”.

##### SEC. 1343. TRAINING FOR CONTRACTING AND ENFORCEMENT PERSONNEL.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Acquisition Institute, in consultation with the Administrator for Federal Procurement Policy, the Defense Acquisition University, and the Administrator, shall develop courses for acquisition personnel concerning proper classification of business concerns and small business size and status for purposes of Federal contracts, subcontracts, grants, cooperative agreements, and cooperative research and development agreements.

(b) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1342, is amended by adding at the end the following:

“(y) POLICY ON PROSECUTIONS OF SMALL BUSINESS SIZE AND STATUS FRAUD.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in consultation with the Attorney General, shall issue a Government-wide policy on prosecution of small business size and status fraud, which shall direct Federal agencies to appropriately publicize the policy.”.

##### SEC. 1344. UPDATED SIZE STANDARDS.

(a) ROLLING REVIEW.—

(1) IN GENERAL.—The Administrator shall—

(A) during the 18-month period beginning on the date of enactment of this Act, and during every 18-month period thereafter, conduct a detailed review of not less than  $\frac{1}{3}$  of the size standards for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)), which shall include holding not less than 2 public forums located in different geographic regions of the United States;

(B) after completing each review under subparagraph (A) make appropriate adjustments to the size standards established under section 3(a)(2) of the Small Business Act to reflect market conditions;

(C) make publicly available—

(i) information regarding the factors evaluated as part of each review conducted under subparagraph (A); and

(ii) information regarding the criteria used for any revised size standards promulgated under subparagraph (B); and

(D) not later than 30 days after the date on which the Administrator completes each review under subparagraph (A), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives and make publicly available a report regarding the review, including why the Administrator—

(i) used the factors and criteria described in subparagraph (C); and

(ii) adjusted or did not adjust each size standard that was reviewed under the review.

(2) **COMPLETE REVIEW OF SIZE STANDARDS.**—The Administrator shall ensure that each size standard for small business concerns established under section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is reviewed under paragraph (1) not less frequently than once every 5 years.

(b) **RULES.**—Not later than 1 year after the date of enactment of this Act, the Administrator shall promulgate rules for conducting the reviews required under subsection (a).

**SEC. 1345. STUDY AND REPORT ON THE MENTOR-PROTEGE PROGRAM.**

(a) **IN GENERAL.**—The Comptroller General of the United States shall conduct a study of the mentor-protégé program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)), and other relationships and strategic alliances pairing a larger business and a small business concern partner to gain access to Federal Government contracts, to determine whether the programs and relationships are effectively supporting the goal of increasing the participation of small business concerns in Government contracting.

(b) **MATTERS TO BE STUDIED.**—The study conducted under this section shall include—

(1) a review of a broad cross-section of industries; and

(2) an evaluation of—

(A) how each Federal agency carrying out a program described in subsection (a) administers and monitors the program;

(B) whether there are systems in place to ensure that the mentor-protégé relationship, or similar affiliation, promotes real gain to the protégé, and is not just a mechanism to enable participants that would not otherwise qualify under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) to receive contracts under that section; and

(C) the degree to which protégé businesses become able to compete for Federal contracts without the assistance of a mentor.

(c) **REPORT TO CONGRESS.**—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of the study conducted under this section.

**SEC. 1346. CONTRACTING GOALS REPORTS.**

Section 15(h)(2) of the Small Business Act (15 U.S.C. 644(h)(2)) is amended by striking “submit them” and all that follows through “the following:” and inserting “submit to the President and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives the compilation and analysis, which shall include the following:”.

**SEC. 1347. SMALL BUSINESS CONTRACTING PARITY.**

(a) **DEFINITIONS.**—In this section—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively; and

(2) the terms “HUBZone small business concern”, “small business concern”, “small business concern owned and controlled by service-disabled veterans”, and “small business concern owned and controlled by women” have the same meanings as in section 3 of the Small Business Act (15 U.S.C. 632).

(b) **CONTRACTING IMPROVEMENTS.**—

(1) **CONTRACTING OPPORTUNITIES.**—Section 31(b)(2)(B) of the Small Business Act (15 U.S.C. 657a(b)(2)(B)) is amended by striking “shall” and inserting “may”.

(2) **CONTRACTING GOALS.**—Section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)) is amended in the fourth sentence by inserting “and subcontract” after “not less than 3 percent of the total value of all prime contract”.

(3) **MENTOR-PROTEGE PROGRAMS.**—The Administrator may establish mentor-protégé programs for small business concerns owned and controlled by service-disabled veterans, small business concerns owned and controlled by women, and HUBZone small business concerns modeled on the mentor-protégé program of the Administration for small business concerns participating in programs under section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(c) **SMALL BUSINESS CONTRACTING PROGRAMS PARITY.**—Section 31(b)(2) of the Small Business Act (15 U.S.C. 657a(b)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking “Notwithstanding any other provision of law—”;

(2) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking “a contracting” and inserting “SOLE SOURCE CONTRACTS.—A contracting”; and

(B) in clause (iii), by striking the semicolon at the end and inserting a period;

(3) in subparagraph (B)—

(A) by striking “a contract opportunity shall” and inserting “RESTRICTED COMPETITION.—A contract opportunity may”; and

(B) by striking “; and” and inserting a period; and

(4) in subparagraph (C), by striking “not later” and inserting “APPEALS.—Not later”.

**Subtitle D—Small Business Management and Counseling Assistance**

**SEC. 1401. MATCHING REQUIREMENTS UNDER SMALL BUSINESS PROGRAMS.**

(a) **MICROLOAN PROGRAM.**—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (3)(B)—

(A) by striking “As a condition” and inserting the following:

“(i) **IN GENERAL.**—Subject to clause (ii), as a condition”;

(B) by striking “the Administration” and inserting “the Administrator”; and

(C) by adding at the end the following:

“(ii) **WAIVER OF NON-FEDERAL SHARE.**—

“(I) **IN GENERAL.**—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) **LIMITATIONS.**—

“(aa) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

“(bb) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”; and

(2) in paragraph (4)(B)—

(A) by striking “As a condition” and all that follows through “the Administration shall require” and inserting the following:

“(i) **IN GENERAL.**—Subject to clause (ii), as a condition of a grant made under subparagraph (A), the Administrator shall require”; and

(B) by adding at the end the following:

“(ii) **WAIVER OF NON-FEDERAL SHARE.**—

“(I) **IN GENERAL.**—Upon request by an intermediary, and in accordance with this clause, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under clause (i) for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this clause for successive fiscal years.

“(II) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this clause, the Administrator shall consider—

“(aa) the economic conditions affecting the intermediary;

“(bb) the impact a waiver under this clause would have on the credibility of the microloan program under this subsection;

“(cc) the demonstrated ability of the intermediary to raise non-Federal funds; and

“(dd) the performance of the intermediary.

“(III) **LIMITATIONS.**—

“(aa) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause if granting the waiver would undermine the credibility of the microloan program under this subsection.

“(bb) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this clause for fiscal year 2013 or any fiscal year thereafter.”.

(b) **WOMEN'S BUSINESS CENTER PROGRAM.**—Section 29(c) of the Small Business Act (15 U.S.C. 656(c)) is amended—

(1) in paragraph (1), by striking “As a condition” and inserting “Subject to paragraph (5), as a condition”; and

(2) by adding at the end the following:

“(5) **WAIVER OF NON-FEDERAL SHARE RELATING TO TECHNICAL ASSISTANCE AND COUNSELING.**—

“(A) **IN GENERAL.**—Upon request by a recipient organization, and in accordance with this paragraph, the Administrator may waive, in whole or in part, the requirement to obtain non-Federal funds under this subsection for the technical assistance and counseling activities of the recipient organization carried out using financial assistance under this section for a fiscal year. The Administrator may waive the requirement to obtain non-Federal funds under this paragraph for successive fiscal years.

“(B) **CONSIDERATIONS.**—In determining whether to waive the requirement to obtain non-Federal funds under this paragraph, the Administrator shall consider—

“(i) the economic conditions affecting the recipient organization;

“(ii) the impact a waiver under this clause would have on the credibility of the women's business center program under this section;

“(iii) the demonstrated ability of the recipient organization to raise non-Federal funds; and

“(iv) the performance of the recipient organization.

“(C) **LIMITATIONS.**—

“(i) **IN GENERAL.**—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph if granting the waiver would undermine the credibility of the women's business center program under this section.

“(ii) **SUNSET.**—The Administrator may not waive the requirement to obtain non-Federal funds under this paragraph for fiscal year 2013 or any fiscal year thereafter.”.



(c) PROSPECTIVE REPEALS.—Effective October 1, 2012, the Small Business Act (15 U.S.C. 631 et seq.) is amended—

- (1) in section 7(m) (15 U.S.C. 636(m))—
- (A) in paragraph (3)(B)—
- (i) by striking “INTERMEDIARY CONTRIBUTION.” and all that follows through “Subject to clause (ii), as” and inserting “INTERMEDIARY CONTRIBUTION.—As”; and
- (ii) by striking clause (ii); and
- (B) in paragraph (4)(B)—
- (i) by striking “CONTRIBUTION.” and all that follows through “Subject to clause (ii), as” and inserting “CONTRIBUTION.—As”; and
- (ii) by striking clause (ii); and
- (2) in section 29(c) (15 U.S.C. 656(c))—
- (A) in paragraph (1), by striking “Subject to paragraph (5), as” and inserting “As”; and
- (B) by striking paragraph (5).

#### SEC. 1402. GRANTS FOR SBDCS.

(a) IN GENERAL.—The Administrator may make grants to small business development centers under section 21 of the Small Business Act (15 U.S.C. 648) to provide targeted technical assistance to small business concerns seeking access to capital or credit, Federal procurement opportunities, energy efficiency audits to reduce energy bills, opportunities to export products or provide services to foreign customers, adopting, making innovations in, and using broadband technologies, or other assistance.

(b) ALLOCATION.—

(1) IN GENERAL.—Subject to paragraph (2), and notwithstanding the requirements of section 21(a)(4)(C)(iii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(iii)), the amount appropriated to carry out this section shall be allocated under the formula under section 21(a)(4)(C)(i) of that Act.

(2) MINIMUM FUNDING.—The amount made available under this section to each State shall be not less than \$325,000.

(3) TYPES OF USES.—Of the total amount of the grants awarded by the Administrator under this section—

(A) not less than 80 percent shall be used for counseling of small business concerns; and

(B) not more than 20 percent may be used for classes or seminars.

(c) NO NON-FEDERAL SHARE REQUIRED.—Notwithstanding section 21(a)(4)(A) of the Small Business Act (15 U.S.C. 648(a)(4)(A)), the recipient of a grant made under this section shall not be required to provide non-Federal matching funds.

(d) DISTRIBUTION.—Not later than 30 days after the date on which amounts are appropriated to carry out this section, the Administrator shall disburse the total amount appropriated.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator \$50,000,000 to carry out this section.

#### Subtitle E—Disaster Loan Improvement

#### SEC. 1501. AQUACULTURE BUSINESS DISASTER ASSISTANCE.

Section 3 of the Small Business Act (15 U.S.C. 632), as amended by section 1343, is amended by adding at the end the following:

“(z) AQUACULTURE BUSINESS DISASTER ASSISTANCE.—Subject to section 18(a) and notwithstanding section 18(b)(1), the Administrator may provide disaster assistance under section 7(b)(2) to aquaculture enterprises that are small businesses.”.

#### Subtitle F—Small Business Regulatory Relief

#### SEC. 1601. REQUIREMENTS PROVIDING FOR MORE DETAILED ANALYSES.

Section 604(a) of title 5, United States Code, is amended—

- (1) in paragraph (1), by striking “succinct”;
- (2) in paragraph (2), by striking “summary” each place it appears and inserting “statement”;

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(4) by inserting after paragraph (2) the following:

“(3) the response of the agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments;”.

#### SEC. 1602. OFFICE OF ADVOCACY.

(a) IN GENERAL.—Section 203 of Public Law 94-305 (15 U.S.C. 634c) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(6) carry out the responsibilities of the Office of Advocacy under chapter 6 of title 5, United States Code.”.

(b) BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking section 207 and inserting the following:

#### “SEC. 207. BUDGETARY LINE ITEM AND AUTHORIZATION OF APPROPRIATIONS.

“(a) APPROPRIATION REQUESTS.—Each budget of the United States Government submitted by the President under section 1105 of title 31, United States Code, shall include a separate statement of the amount of appropriations requested for the Office of Advocacy of the Small Business Administration, which shall be designated in a separate account in the General Fund of the Treasury.

“(b) ADMINISTRATIVE OPERATIONS.—The Administrator of the Small Business Administration shall provide the Office of Advocacy with appropriate and adequate office space at central and field office locations, together with such equipment, operating budget, and communications facilities and services as may be necessary, and shall provide necessary maintenance services for such offices and the equipment and facilities located in such offices.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this title. Any amount appropriated under this subsection shall remain available, without fiscal year limitation, until expended.”.

#### Subtitle G—Appropriations Provisions

#### SEC. 1701. SALARIES AND EXPENSES.

(a) APPROPRIATION.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, \$150,000,000, to remain available until September 30, 2012, for an additional amount for the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”, of which—

(1) \$50,000,000 is for grants to small business development centers authorized under section 1402;

(2) \$1,000,000 is for the costs of administering grants authorized under section 1402;

(3) \$30,000,000 is for grants to States for fiscal year 2011 to carry out export programs that assist small business concerns authorized under section 1207;

(4) \$30,000,000 is for grants to States for fiscal year 2012 to carry out export programs that assist small business concerns authorized under section 1207;

(5) \$2,500,000 is for the costs of administering grants authorized under section 1207;

(6) \$5,000,000 is for grants for fiscal year 2011 under the Small Business Teaming Pilot Program under section 1314; and

(7) \$5,000,000 is for grants for fiscal year 2012 under the Small Business Teaming Pilot Program under section 1314.

(b) REPORT.—Not later than 60 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a detailed expenditure plan for using the funds provided under subsection (a).

#### SEC. 1702. BUSINESS LOANS PROGRAM ACCOUNT.

(a) IN GENERAL.—There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “BUSINESS LOANS PROGRAM ACCOUNT” under the heading “SMALL BUSINESS ADMINISTRATION”.

(1) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2011 for the cost of direct loans authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(2) \$8,000,000, to remain available until September 30, 2012, for fiscal year 2012 for the cost of direct loans authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, including the cost of modifying the loans;

(3) \$6,500,000, to remain available until September 30, 2012, for administrative expenses to carry out the direct loan program authorized under section 7(l) of the Small Business Act, as added by section 1131 of this title, which may be transferred to and merged with the appropriations account appropriated under the heading “SALARIES AND EXPENSES” under the heading “SMALL BUSINESS ADMINISTRATION”; and

(4) \$15,000,000, to remain available until September 30, 2011, for the cost of guaranteed loans as authorized under section 7(a) of the Small Business Act, including the cost of modifying the loans.

(b) DEFINITION.—In this section, the term “cost” has the meaning given that term in section 502 of the Congressional Budget Act of 1974.

#### SEC. 1703. COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT.

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, for an additional amount for the appropriations account appropriated under the heading “COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT” under the heading “DEPARTMENT OF THE TREASURY”, \$13,500,000, to remain available until September 30, 2012, for the costs of administering guarantees for bonds and notes as authorized under section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994, as added by section 1134 of this Act.

#### TITLE II—TAX PROVISIONS

#### SEC. 2001. SHORT TITLE.

This title may be cited as the “Creating Small Business Jobs Act of 2010”.

#### Subtitle A—Small Business Relief

#### PART I—PROVIDING ACCESS TO CAPITAL

#### SEC. 2011. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

(a) IN GENERAL.—Subsection (a) of section 1202 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 100 PERCENT EXCLUSION FOR STOCK ACQUIRED DURING CERTAIN PERIODS IN 2010.—In the case of qualified small business stock acquired after the date of the enactment of the

Creating Small Business Jobs Act of 2010 and before January 1, 2011—

“(A) paragraph (1) shall be applied by substituting ‘100 percent’ for ‘50 percent’,

“(B) paragraph (2) shall not apply, and

“(C) paragraph (7) of section 57(a) shall not apply.”.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 1202(a) of the Internal Revenue Code of 1986 is amended—

(1) by inserting “CERTAIN PERIODS IN” before “2010” in the heading, and

(2) by striking “before January 1, 2011” and inserting “on or before the date of the enactment of the Creating Small Business Jobs Act of 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after the date of the enactment of this Act.

**SEC. 2012. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES FOR 2010 CARRIED BACK 5 YEARS.**

(a) IN GENERAL.—Section 39(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 5-YEAR CARRYBACK FOR ELIGIBLE SMALL BUSINESS CREDITS.—

“(A) IN GENERAL.—Notwithstanding subsection (d), in the case of eligible small business credits determined in the first taxable year of the taxpayer beginning in 2010—

“(i) paragraph (1) shall be applied by substituting ‘each of the 5 taxable years’ for ‘the taxable year’ in subparagraph (A) thereof, and

“(ii) paragraph (2) shall be applied—

“(I) by substituting ‘25 taxable years’ for ‘21 taxable years’ in subparagraph (A) thereof, and

“(II) by substituting ‘24 taxable years’ for ‘20 taxable years’ in subparagraph (B) thereof.

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ has the meaning given such term by section 38(c)(5)(B).”.

(b) CONFORMING AMENDMENT.—Section 39(a)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting “or the eligible small business credits” after “credit”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to credits determined in taxable years beginning after December 31, 2009.

**SEC. 2013. GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES IN 2010 NOT SUBJECT TO ALTERNATIVE MINIMUM TAX.**

(a) IN GENERAL.—Section 38(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

“(5) SPECIAL RULES FOR ELIGIBLE SMALL BUSINESS CREDITS IN 2010.—

“(A) IN GENERAL.—In the case of eligible small business credits determined in taxable years beginning in 2010—

“(i) this section and section 39 shall be applied separately with respect to such credits, and

“(ii) in applying paragraph (1) to such credits—

“(I) the tentative minimum tax shall be treated as being zero, and

“(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the eligible small business credits).

“(B) ELIGIBLE SMALL BUSINESS CREDITS.—For purposes of this subsection, the term ‘eligible small business credits’ means the sum of the credits listed in subsection (b) which are determined for the taxable year with respect to an eligible small business. Such credits shall not be taken into account under paragraph (2), (3), or (4).

“(C) ELIGIBLE SMALL BUSINESS.—For purposes of this subsection, the term ‘eligible small business’ means, with respect to any taxable year—

“(i) a corporation the stock of which is not publicly traded,

“(ii) a partnership, or

“(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed \$50,000,000. For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.”.

(b) TECHNICAL AMENDMENT.—Section 55(e)(5) of the Internal Revenue Code of 1986 is amended by striking “38(c)(3)(B)” and inserting “38(c)(4)(B)”.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2009, and to carrybacks of such credits.

**SEC. 2014. TEMPORARY REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.**

(a) IN GENERAL.—Subparagraph (B) of section 1374(d)(7) of the Internal Revenue Code of 1986 is amended to read as follows:

“(B) SPECIAL RULES FOR 2009, 2010, AND 2011.—No tax shall be imposed on the net recognized built-in gain of an S corporation—

“(i) in the case of any taxable year beginning in 2009 or 2010, if the 7th taxable year in the recognition period preceded such taxable year, or

“(ii) in the case of any taxable year beginning in 2011, if the 5th year in the recognition period preceded such taxable year. The preceding sentence shall be applied separately with respect to any asset to which paragraph (8) applies.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2010.

**PART II—ENCOURAGING INVESTMENT**

**SEC. 2021. INCREASED EXPENSING LIMITATIONS FOR 2010 AND 2011; CERTAIN REAL PROPERTY TREATED AS SECTION 179 PROPERTY.**

(a) INCREASED LIMITATIONS.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended—

(1) by striking “shall not exceed” and all that follows in paragraph (1) and inserting “shall not exceed—

“(A) \$250,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$500,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$25,000 in the case of taxable years beginning after 2011.”, and

(2) by striking “exceeds” and all that follows in paragraph (2) and inserting “exceeds—

“(A) \$800,000 in the case of taxable years beginning after 2007 and before 2010,

“(B) \$2,000,000 in the case of taxable years beginning in 2010 or 2011, and

“(C) \$200,000 in the case of taxable years beginning after 2011.”.

(b) INCLUSION OF CERTAIN REAL PROPERTY.—Section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) SPECIAL RULES FOR QUALIFIED REAL PROPERTY.—

“(1) IN GENERAL.—If a taxpayer elects the application of this subsection for any taxable year beginning in 2010 or 2011, the term ‘section 179 property’ shall include any qualified real property which is—

“(A) of a character subject to an allowance for depreciation,

“(B) acquired by purchase for use in the active conduct of a trade or business, and

“(C) not described in the last sentence of subsection (d)(1).

“(2) QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term ‘qualified real property’ means—

“(A) qualified leasehold improvement property described in section 168(e)(6),

“(B) qualified restaurant property described in section 168(e)(7) (without regard to the dates specified in subparagraph (A)(i) thereof), and

“(C) qualified retail improvement property described in section 168(e)(8) (without regard to subparagraph (E) thereof).

“(3) LIMITATION.—For purposes of applying the limitation under subsection (b)(1)(B), not more than \$250,000 of the aggregate cost which is taken into account under subsection (a) for any taxable year may be attributable to qualified real property.

“(4) CARRYOVER LIMITATION.—

“(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B), no amount attributable to qualified real property may be carried over to a taxable year beginning after 2011.

“(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C), to the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A), this title shall be applied as if no election under this section had been made with respect to such amount.

“(C) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer’s last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer’s last taxable year beginning in 2011.

“(D) ALLOCATION OF AMOUNTS.—For purposes of applying this paragraph and subsection (b)(3)(B) to any taxable year, the amount which is disallowed under subsection (b)(3)(A) for such taxable year which is attributed to qualified real property shall be the amount which bears the same ratio to the total amount so disallowed as—

“(i) the aggregate amount attributable to qualified real property placed in service during such taxable year, increased by the portion of any amount carried over to such taxable year from a prior taxable year which is attributable to such property, bears to

“(ii) the total amount of section 179 property placed in service during such taxable year, increased by the aggregate amount carried over to such taxable year from any prior taxable year.

For purposes of the preceding sentence, only section 179 property with respect to which an election was made under subsection (c)(1) (determined without regard to subparagraph (B) of this paragraph) shall be taken into account.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

**SEC. 2022. ADDITIONAL FIRST-YEAR DEPRECIATION FOR 50 PERCENT OF THE BASIS OF CERTAIN QUALIFIED PROPERTY.**

(a) IN GENERAL.—Paragraph (2) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(1) by striking “January 1, 2011” in subparagraph (A)(iv) and inserting “January 1, 2012”, and

(2) by striking “January 1, 2010” each place it appears and inserting “January 1, 2011”.

(b) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 of the Internal Revenue Code of 1986 is amended by striking “JANUARY 1, 2010” and inserting “JANUARY 1, 2011”.

(2) The heading for clause (ii) of section 168(k)(2)(B) of such Code is amended by striking “PRE-JANUARY 1, 2010” and inserting “PRE-JANUARY 1, 2011”.

(3) Subparagraph (D) of section 168(k)(4) of such Code is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting a comma, and by adding at the end the following new clauses:

“(iv) ‘January 1, 2011’ shall be substituted for ‘January 1, 2012’ in subparagraph (A)(iv) thereof, and

“(v) ‘January 1, 2010’ shall be substituted for ‘January 1, 2011’ each place it appears in subparagraph (A) thereof.”

(4) Subparagraph (B) of section 168(l)(5) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(5) Subparagraph (C) of section 168(n)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(6) Subparagraph (D) of section 1400L(b)(2) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(7) Subparagraph (B) of section 1400N(d)(3) of such Code is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to property placed in service after December 31, 2009, in taxable years beginning after such date.

### PART III—PROMOTING ENTREPRENEURSHIP

#### SEC. 2031. INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES IN 2010.

(a) **START-UP EXPENDITURES.**—Subsection (b) of section 195 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) **SPECIAL RULE FOR TAXABLE YEARS BEGINNING IN 2010.**—In the case of a taxable year beginning in 2010, paragraph (1)(A)(ii) shall be applied—

“(A) by substituting ‘\$10,000’ for ‘\$5,000’, and

“(B) by substituting ‘\$60,000’ for ‘\$50,000’.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2009.

#### SEC. 2032. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES TRADE REPRESENTATIVE TO DEVELOP MARKET ACCESS OPPORTUNITIES FOR UNITED STATES SMALL AND MEDIUM-SIZED BUSINESSES AND TO ENFORCE TRADE AGREEMENTS.

(a) **IN GENERAL.**—There are authorized to be appropriated to the Office of the United States Trade Representative \$5,230,000, to remain available until expended, for—

(1) analyzing and developing opportunities for businesses in the United States to access the markets of foreign countries; and

(2) enforcing trade agreements to which the United States is a party.

(b) **REQUIREMENTS.**—In obligating and expending the funds authorized to be appropriated under subsection (a), the United States Trade Representative shall—

(1) give preference to those initiatives that the United States Trade Representative determines will create or sustain the greatest number of jobs in the United States or result in the greatest benefit to the economy of the United States; and

(2) consider the needs of small- and medium-sized businesses in the United States with respect to—

(A) accessing the markets of foreign countries; and

(B) the enforcement of trade agreements to which the United States is a party.

### PART IV—PROMOTING SMALL BUSINESS FAIRNESS

#### SEC. 2041. LIMITATION ON PENALTY FOR FAILURE TO DISCLOSE REPORTABLE TRANSACTIONS BASED ON RESULTING TAX BENEFITS.

(a) **IN GENERAL.**—Subsection (b) of section 6707A of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) **AMOUNT OF PENALTY.**—

“(1) **IN GENERAL.**—Except as otherwise provided in this subsection, the amount of the penalty under subsection (a) with respect to any reportable transaction shall be 75 percent of the decrease in tax shown on the return as a result of such transaction (or which would have resulted from such transaction if such transaction were respected for Federal tax purposes).

“(2) **MAXIMUM PENALTY.**—The amount of the penalty under subsection (a) with respect to any reportable transaction shall not exceed—

“(A) in the case of a listed transaction, \$200,000 (\$100,000 in the case of a natural person), or

“(B) in the case of any other reportable transaction, \$50,000 (\$10,000 in the case of a natural person).

“(3) **MINIMUM PENALTY.**—The amount of the penalty under subsection (a) with respect to any transaction shall not be less than \$10,000 (\$5,000 in the case of a natural person).”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to penalties assessed after December 31, 2006.

#### SEC. 2042. DEDUCTION FOR HEALTH INSURANCE COSTS IN COMPUTING SELF-EMPLOYMENT TAXES IN 2010.

(a) **IN GENERAL.**—Paragraph (4) of section 162(l) of the Internal Revenue Code of 1986 is amended by inserting “for taxable years beginning before January 1, 2010, or after December 31, 2010” before the period.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

### Subtitle B—Revenue Provisions

#### PART I—REDUCING THE TAX GAP

#### SEC. 2101. INFORMATION REPORTING FOR RENTAL PROPERTY EXPENSE PAYMENTS.

(a) **IN GENERAL.**—Section 6041 of the Internal Revenue Code of 1986, as amended by section 9006 of the Patient Protection and Affordable Care Act, is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

“(h) **TREATMENT OF RENTAL PROPERTY EXPENSE PAYMENTS.**—

“(1) **IN GENERAL.**—Solely for purposes of subsection (a) and except as provided in paragraph (2), a person receiving rental income from real estate shall be considered to be engaged in a trade or business of renting property.

“(2) **EXCEPTIONS.**—Paragraph (1) shall not apply to—

“(A) any individual, including any individual who is an active member of the uniformed services or an employee of the intelligence community (as defined in section 121(d)(9)(C)(iv)), if substantially all rental income is derived from renting the principal residence (within the meaning of section 121) of such individual on a temporary basis,

“(B) any individual who receives rental income of not more than the minimal amount, as determined under regulations prescribed by the Secretary, and

“(C) any other individual for whom the requirements of this section would cause hardship, as determined under regulations prescribed by the Secretary.”.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply to payments made after December 31, 2010.

#### SEC. 2102. INCREASE IN INFORMATION RETURN PENALTIES.

(a) **FAILURE TO FILE CORRECT INFORMATION RETURNS.**—

(1) **IN GENERAL.**—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 of the Internal Revenue Code of 1986 are each amended by striking “\$50” and inserting “\$100”.

(2) **AGGREGATE ANNUAL LIMITATION.**—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 of such Code are each amended by striking “\$250,000” and inserting “\$1,500,000”.

(b) **REDUCTION WHERE CORRECTION WITHIN 30 DAYS.**—

(1) **IN GENERAL.**—Subparagraph (A) of section 6721(b)(1) of the Internal Revenue Code of 1986 is amended by striking “\$15” and inserting “\$30”.

(2) **AGGREGATE ANNUAL LIMITATION.**—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 of such Code are each amended by striking “\$75,000” and inserting “\$250,000”.

(c) **REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.**—

(1) **IN GENERAL.**—Subparagraph (A) of section 6721(b)(2) of the Internal Revenue Code of 1986 is amended by striking “\$30” and inserting “\$60”.

(2) **AGGREGATE ANNUAL LIMITATION.**—Subsections (b)(2)(B) and (d)(1)(C) of section 6721 of such Code are each amended by striking “\$150,000” and inserting “\$500,000”.

(d) **AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.**—

(1) **IN GENERAL.**—Paragraph (1) of section 6721(d) of the Internal Revenue Code of 1986 is amended—

(A) by striking “\$100,000” in subparagraph (A) and inserting “\$500,000”;

(B) by striking “\$25,000” in subparagraph (B) and inserting “\$75,000”; and

(C) by striking “\$50,000” in subparagraph (C) and inserting “\$200,000”.

(2) **TECHNICAL AMENDMENT.**—Paragraph (1) of section 6721(d) of such Code is amended by striking “such taxable year” and inserting “such calendar year”.

(e) **PENALTY IN CASE OF INTENTIONAL DISREGARD.**—Paragraph (2) of section 6721(e) of the Internal Revenue Code of 1986 is amended by striking “\$100” and inserting “\$250”.

(f) **ADJUSTMENT FOR INFLATION.**—Section 6721 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) **ADJUSTMENT FOR INFLATION.**—

“(1) **IN GENERAL.**—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d) (other than paragraph (2)(A) thereof), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) **ROUNDING.**—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”.

(g) **FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.**—Section 6722 of the Internal Revenue Code of 1986 is amended to read as follows:

#### “SEC. 6722. FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.

“(a) **IMPOSITION OF PENALTY.**—

“(1) **GENERAL RULE.**—In the case of each failure described in paragraph (2) by any person with respect to a payee statement, such person shall pay a penalty of \$100 for each statement with respect to which such a failure occurs, but the total amount imposed on

such person for all such failures during any calendar year shall not exceed \$1,500,000.

“(2) FAILURES SUBJECT TO PENALTY.—For purposes of paragraph (1), the failures described in this paragraph are—

“(A) any failure to furnish a payee statement on or before the date prescribed therefor to the person to whom such statement is required to be furnished, and

“(B) any failure to include all of the information required to be shown on a payee statement or the inclusion of incorrect information.

“(b) REDUCTION WHERE CORRECTION IN SPECIFIED PERIOD.—

“(1) CORRECTION WITHIN 30 DAYS.—If any failure described in subsection (a)(2) is corrected on or before the day 30 days after the required filing date—

“(A) the penalty imposed by subsection (a) shall be \$30 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed \$250,000.

“(2) FAILURES CORRECTED ON OR BEFORE AUGUST 1.—If any failure described in subsection (a)(2) is corrected after the 30th day referred to in paragraph (1) but on or before August 1 of the calendar year in which the required filing date occurs—

“(A) the penalty imposed by subsection (a) shall be \$60 in lieu of \$100, and

“(B) the total amount imposed on the person for all such failures during the calendar year which are so corrected shall not exceed \$500,000.

“(c) EXCEPTION FOR DE MINIMIS FAILURES.—

“(1) IN GENERAL.—If—

“(A) a payee statement is furnished to the person to whom such statement is required to be furnished,

“(B) there is a failure described in subsection (a)(2)(B) (determined after the application of section 6724(a)) with respect to such statement, and

“(C) such failure is corrected on or before August 1 of the calendar year in which the required filing date occurs,

for purposes of this section, such statement shall be treated as having been furnished with all of the correct required information.

“(2) LIMITATION.—The number of payee statements to which paragraph (1) applies for any calendar year shall not exceed the greater of—

“(A) 10, or

“(B) one-half of 1 percent of the total number of payee statements required to be filed by the person during the calendar year.

“(d) LOWER LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—

“(1) IN GENERAL.—If any person meets the gross receipts test of paragraph (2) with respect to any calendar year, with respect to failures during such calendar year—

“(A) subsection (a)(1) shall be applied by substituting ‘\$500,000’ for ‘\$1,500,000’,

“(B) subsection (b)(1)(B) shall be applied by substituting ‘\$75,000’ for ‘\$250,000’, and

“(C) subsection (b)(2)(B) shall be applied by substituting ‘\$200,000’ for ‘\$500,000’.

“(2) GROSS RECEIPTS TEST.—A person meets the gross receipts test of this paragraph if such person meets the gross receipts test of section 6721(d)(2).

“(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—If 1 or more failures to which subsection (a) applies are due to intentional disregard of the requirement to furnish a payee statement (or the correct information reporting requirement), then, with respect to each such failure—

“(1) subsections (b), (c), and (d) shall not apply,

“(2) the penalty imposed under subsection (a)(1) shall be \$250, or, if greater—

“(A) in the case of a payee statement other than a statement required under section 6045(b), 6041A(e) (in respect of a return required under section 6041A(b)), 6050H(d), 6050J(e), 6050K(b), or 6050L(c), 10 percent of the aggregate amount of the items required to be reported correctly, or

“(B) in the case of a payee statement required under section 6045(b), 6050K(b), or 6050L(c), 5 percent of the aggregate amount of the items required to be reported correctly, and

“(3) in the case of any penalty determined under paragraph (2)—

“(A) the \$1,500,000 limitation under subsection (a) shall not apply, and

“(B) such penalty shall not be taken into account in applying such limitation to penalties not determined under paragraph (2).

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d)(1), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2011.

#### SEC. 2103. REPORT ON TAX SHELTER PENALTIES AND CERTAIN OTHER ENFORCEMENT ACTIONS.

(a) IN GENERAL.—The Commissioner of Internal Revenue, in consultation with the Secretary of the Treasury, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on the penalties assessed by the Internal Revenue Service during the preceding year under each of the following provisions of the Internal Revenue Code of 1986:

(1) Section 6662A (relating to accuracy-related penalty on understatements with respect to reportable transactions).

(2) Section 6700(a) (relating to promoting abusive tax shelters).

(3) Section 6707 (relating to failure to furnish information regarding reportable transactions).

(4) Section 6707A (relating to failure to include reportable transaction information with return).

(5) Section 6708 (relating to failure to maintain lists of advisees with respect to reportable transactions).

(b) ADDITIONAL INFORMATION.—The report required under subsection (a) shall also include information on the following with respect to each year:

(1) Any action taken under section 330(b) of title 31, United States Code, with respect to any reportable transaction (as defined in section 6707A(c) of the Internal Revenue Code of 1986).

(2) Any extension of the time for assessment of tax enforced, or assessment of any amount under such an extension, under paragraph (10) of section 6501(c) of the Internal Revenue Code of 1986.

(c) DATE OF REPORT.—The first report required under subsection (a) shall be submitted not later than December 31, 2010.

#### SEC. 2104. APPLICATION OF LEVY TO PAYMENTS TO FEDERAL VENDORS RELATING TO PROPERTY.

(a) IN GENERAL.—Section 6331(h)(3) of the Internal Revenue Code of 1986 is amended by striking “goods or services” and inserting “property, goods, or services”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to levies issued after the date of the enactment of this Act.

#### SEC. 2105. APPLICATION OF CONTINUOUS LEVY TO TAX LIABILITIES OF CERTAIN FEDERAL CONTRACTORS.

(a) IN GENERAL.—Subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “or” at the end of paragraph (2), by inserting “or” at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

“(4) the Secretary has served a Federal contractor levy.”.

(b) FEDERAL CONTRACTOR LEVY.—Subsection (h) of section 6330 of the Internal Revenue Code of 1986 is amended—

(1) by striking all that precedes “any levy in connection with the collection” and inserting the following:

“(h) DEFINITIONS RELATED TO EXCEPTIONS.—For purposes of subsection (f)—

“(1) DISQUALIFIED EMPLOYMENT TAX LEVY.—A disqualified employment tax levy is;” and

(2) by adding at the end the following new paragraph:

“(2) FEDERAL CONTRACTOR LEVY.—A Federal contractor levy is any levy if the person whose property is subject to the levy (or any predecessor thereof) is a Federal contractor.”.

(c) CONFORMING AMENDMENT.—The heading of subsection (f) of section 6330 of the Internal Revenue Code of 1986 is amended by striking “JEOPARDY AND STATE REFUND COLLECTION” and inserting “EXCEPTIONS”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued after the date of the enactment of this Act.

#### SEC. 2106. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 of the Internal Revenue Code of 1986 is amended—

(1) by striking “If any check or money order in payment of any amount” and inserting “If any instrument in payment, by any commercially acceptable means, of any amount”, and

(2) by striking “such check” each place it appears and inserting “such instrument”.

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

#### PART II—PROMOTING RETIREMENT PREPARATION

#### SEC. 2111. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(e)(1) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means—

“(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

“(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section

457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

**SEC. 2112. ROLLOVERS FROM ELECTIVE DEFER-  
RAL PLANS TO DESIGNATED ROTH  
ACCOUNTS.**

(a) **IN GENERAL.**—Section 402A(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) **TAXABLE ROLLOVERS TO DESIGNATED ROTH ACCOUNTS.**—

“(A) **IN GENERAL.**—Notwithstanding sections 402(c), 403(b)(8), and 457(e)(16), in the case of any distribution to which this paragraph applies—

“(i) there shall be included in gross income any amount which would be includible were it not part of a qualified rollover contribution,

“(ii) section 72(t) shall not apply, and

“(iii) unless the taxpayer elects not to have this clause apply, any amount required to be included in gross income for any taxable year beginning in 2010 by reason of this paragraph shall be so included ratably over the 2-taxable-year period beginning with the first taxable year beginning in 2011.

Any election under clause (iii) for any distributions during a taxable year may not be changed after the due date for such taxable year.

“(B) **DISTRIBUTIONS TO WHICH PARAGRAPH APPLIES.**—In the case of an applicable retirement plan which includes a qualified Roth contribution program, this paragraph shall apply to a distribution from such plan other than from a designated Roth account which is contributed in a qualified rollover contribution (within the meaning of section 408A(e)) to the designated Roth account maintained under such plan for the benefit of the individual to whom the distribution is made.

“(C) **COORDINATION WITH LIMIT.**—Any distribution to which this paragraph applies shall not be taken into account for purposes of paragraph (1).

“(D) **OTHER RULES.**—The rules of subparagraphs (D), (E), and (F) of section 408A(d)(3) (as in effect for taxable years beginning after 2009) shall apply for purposes of this paragraph.”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to distributions after the date of the enactment of this Act.

**PART III—CLOSING UNINTENDED  
LOOPHOLES**

**SEC. 2121. CRUDE TALL OIL INELIGIBLE FOR CELLULO-  
SIC BIOFUEL PRODUCER  
CREDIT.**

(a) **IN GENERAL.**—Clause (iii) of section 40(b)(6)(E) of the Internal Revenue Code of 1986, as added by the Health Care and Education Reconciliation Act of 2010, is amended—

(1) by striking “or” at the end of subclause (I),

(2) by striking the period at the end of subclause (II) and inserting “, or”,

(3) by adding at the end the following new subclause:

“(III) such fuel has an acid number greater than 25.”, and

(4) by striking “UNPROCESSED” in the heading and inserting “CERTAIN”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to fuels sold or used on or after January 1, 2010.

**PART IV—TIME FOR PAYMENT OF  
CORPORATE ESTIMATED TAXES**

**SEC. 2131. TIME FOR PAYMENT OF CORPORATE  
ESTIMATED TAXES.**

The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore

Employment Act in effect on the date of the enactment of this Act is increased by 36 percentage points.

**TITLE III—SMALL BUSINESS LENDING**

**Subtitle A—Small Business Lending Fund**

**SEC. 3101. PURPOSE.**

The purpose of this subtitle is to address the ongoing effects of the financial crisis on small businesses by providing temporary authority to the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses.

**SEC. 3102. DEFINITIONS.**

For purposes of this subtitle:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term “appropriate Federal banking agency” has the meaning given such term under section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).

(3) **BANK HOLDING COMPANY.**—The term “bank holding company” has the meaning given such term under section 2(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(1)).

(4) **CALL REPORT.**—The term “call report” means—

(A) reports of Condition and Income submitted to the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation;

(B) the Office of Thrift Supervision Thrift Financial Report;

(C) any report that is designated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Office of Thrift Supervision, as applicable, as a successor to any report referred to in subparagraph (A) or (B);

(D) reports of Condition and Income as designated through guidance developed by the Secretary, in consultation with the Director of the Community Development Financial Institutions Fund; and

(E) with respect to an eligible institution for which no report exists that is described under subparagraph (A), (B), (C), or (D), such other report or set of information as the Secretary, in consultation with the Administrator of the Small Business Administration, may prescribe.

(5) **CDCI.**—The term “CDCI” means the Community Development Capital Initiative created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(6) **CDCI INVESTMENT.**—The term “CDCI investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CDCI that has not been repaid.

(7) **CDFI; COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.**—The terms “CDFI” and “community development financial institution” have the meaning given the term “community development financial institution” under the Riegle Community Develop-

ment and Regulatory Improvement Act of 1994.

(8) **CDLF; COMMUNITY DEVELOPMENT LOAN FUND.**—The terms “CDLF” and “community development loan fund” mean any entity that—

(A) is certified by the Department of the Treasury as a community development financial institution loan fund;

(B) is exempt from taxation under the Internal Revenue Code of 1986; and

(C) had assets less than or equal to \$10,000,000,000 as of the end of the fourth quarter of calendar year 2009.

(9) **CPP.**—The term “CPP” means the Capital Purchase Program created by the Secretary under the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

(10) **CPP INVESTMENT.**—The term “CPP investment” means, with respect to any eligible institution, the principal amount of any investment made by the Secretary in such eligible institution under the CPP that has not been repaid.

(11) **ELIGIBLE INSTITUTION.**—The term “eligible institution” means—

(A) any insured depository institution, which—

(i) is not controlled by a bank holding company or savings and loan holding company that is also an eligible institution;

(ii) has total assets of equal to or less than \$10,000,000,000, as reported in the call report of the insured depository institution as of the end of the fourth quarter of calendar year 2009; and

(iii) is not directly or indirectly controlled by any company or other entity that has total consolidated assets of more than \$10,000,000,000, as so reported;

(B) any bank holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the bank holding company as of the end of the fourth quarter of calendar year 2009;

(C) any savings and loan holding company which has total consolidated assets of equal to or less than \$10,000,000,000, as reported in the call report of the savings and loan holding company as of the end of the fourth quarter of calendar year 2009; and

(D) any community development financial institution loan fund which has total assets of equal to or less than \$10,000,000,000, as reported in audited financial statements for the fiscal year of the community development financial institution loan fund that ends in calendar year 2009.

(12) **FUND.**—The term “Fund” means the Small Business Lending Fund established under section 3103(a)(1).

(13) **INSURED DEPOSITORY INSTITUTION.**—The term “insured depository institution” has the meaning given such term under section 3(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)(2)).

(14) **MINORITY-OWNED AND WOMEN-OWNED BUSINESS.**—The terms “minority-owned business” and “women-owned business” shall have the meaning given the terms “minority-owned business” and “women’s business”, respectively, under section 21A(r)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441A(r)(4)).

(15) **PROGRAM.**—The term “Program” means the Small Business Lending Fund Program authorized under section 3103(a)(2).

(16) **SAVINGS AND LOAN HOLDING COMPANY.**—The term “savings and loan holding company” has the meaning given such term under section 10(a)(1)(D) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(1)(D)).

(17) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

(18) **SMALL BUSINESS LENDING.**—

(A) IN GENERAL.—The term “small business lending” means lending, as defined by and reported in an eligible institutions’ quarterly call report, where each loan comprising such lending is one of the following types:

- (i) Commercial and industrial loans.
- (ii) Owner-occupied nonfarm, nonresidential real estate loans.
- (iii) Loans to finance agricultural production and other loans to farmers.
- (iv) Loans secured by farmland.

(B) EXCLUSION.—No loan that has an original amount greater than \$10,000,000 or that goes to a business with more than \$50,000,000 in revenues shall be included in the measure.

(C) TREATMENT OF HOLDING COMPANIES.—In the case of eligible institutions that are bank holding companies or savings and loan holding companies having one or more insured depository institution subsidiaries, small business lending shall be measured based on the combined small business lending reported in the call report of the insured depository institution subsidiaries.

(19) VETERAN-OWNED BUSINESS.—

(A) The term “veteran-owned business” means a business—

- (i) more than 50 percent of the ownership or control of which is held by 1 or more veterans;
- (ii) more than 50 percent of the net profit or loss of which accrues to 1 or more veterans; and
- (iii) a significant percentage of senior management positions of which are held by veterans.

(B) For purposes of this paragraph, the term “veteran” has the meaning given such term in section 101(2) of title 38, United States Code.

#### SEC. 3103. SMALL BUSINESS LENDING FUND.

(a) FUND AND PROGRAM.—

(1) FUND ESTABLISHED.—There is established in the Treasury of the United States a fund to be known as the “Small Business Lending Fund”, which shall be administered by the Secretary.

(2) PROGRAMS AUTHORIZED.—The Secretary is authorized to establish the Small Business Lending Fund Program for using the Fund consistent with this subtitle.

(b) USE OF FUND.—

(1) IN GENERAL.—Subject to paragraph (2), the Fund shall be available to the Secretary, without further appropriation or fiscal year limitation, for the costs of purchases (including commitments to purchase), and modifications of such purchases, of preferred stock and other financial instruments from eligible institutions on such terms and conditions as are determined by the Secretary in accordance with this subtitle. For purposes of this paragraph and with respect to an eligible institution, the term “other financial instruments” shall include only debt instruments for which such eligible institution is fully liable or equity equivalent capital of the eligible institution. Such debt instruments may be subordinated to the claims of other creditors of the eligible institution.

(2) MAXIMUM PURCHASE LIMIT.—The aggregate amount of purchases (and commitments to purchase) made pursuant to paragraph (1) may not exceed \$30,000,000,000.

(3) PROCEEDS USED TO PAY DOWN PUBLIC DEBT.—All funds received by the Secretary in connection with purchases made pursuant to paragraph (1), including interest payments, dividend payments, and proceeds from the sale of any financial instrument, shall be paid into the general fund of the Treasury for reduction of the public debt.

(4) LIMITATION ON PURCHASES FROM CDLFS.—

(A) IN GENERAL.—Not more than 1 percent of the maximum purchase limit of the Program, pursuant to paragraph (2), may be

used to make purchases from community development loan funds.

(B) ELIGIBILITY STANDARDS.—The Secretary, in consultation with the Community Development Financial Institutions Fund, shall develop eligibility criteria to determine the financial ability of a CDLF to participate in the Program and repay the investment. Such criteria shall include the following:

- (i) Ratio of net assets to total assets is at least 20 percent.
- (ii) Ratio of loan loss reserves to loans and leases 90 days or more delinquent (including loans sold with full recourse) is at least 30 percent.
- (iii) Positive net income measured on a 3-year rolling average.
- (iv) Operating liquidity ratio of at least 1.0 for the 4 most recent quarters and for one or both of the two preceding years.
- (v) Ratio of loans and leases 90 days or more delinquent (including loans sold with full recourse) to total equity plus loan loss reserves is less than 40 percent.

(C) REQUIREMENT TO SUBMIT AUDITED FINANCIAL STATEMENTS.—CDLFs participating in the Program shall submit audited financial statements to the Secretary, have a clean audit opinion, and have at least 3 years of operating experience.

(c) CREDITS TO THE FUND.—There shall be credited to the Fund amounts made available pursuant to section 3108, to the extent provided by appropriations Acts.

(d) TERMS.—

(1) APPLICATION.—

(A) INSTITUTIONS WITH ASSETS OF \$1,000,000,000 OR LESS.—Eligible institutions having total assets equal to or less than \$1,000,000,000, as reported in a call report as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(B) INSTITUTIONS WITH ASSETS OF MORE THAN \$1,000,000,000 AND LESS THAN OR EQUAL TO \$10,000,000,000.—Eligible institutions having total assets of more than \$1,000,000,000 but less than \$10,000,000,000, as of the end of the fourth quarter of calendar year 2009, may apply to receive a capital investment from the Fund in an amount not exceeding 3 percent of risk-weighted assets, as reported in the call report immediately preceding the date of application, less the amount of any CDCI investment and any CPP investment.

(C) TREATMENT OF HOLDING COMPANIES.—In the case of an eligible institution that is a bank holding company or a savings and loan holding company having one or more insured depository institution subsidiaries, total assets shall be measured based on the combined total assets reported in the call report of the insured depository institution subsidiaries as of the end of the fourth quarter of calendar year 2009 and risk-weighted assets shall be measured based on the combined risk-weighted assets of the insured depository institution subsidiaries as reported in the call report immediately preceding the date of application.

(D) TREATMENT OF APPLICANTS THAT ARE INSTITUTIONS CONTROLLED BY HOLDING COMPANIES.—If an eligible institution that applies to receive a capital investment under the Program is under the control of a bank holding company or a savings and loan holding company, then the Secretary may use the Fund to purchase preferred stock or other financial instruments from the top-tier bank holding company or savings and loan holding company of such eligible institution, as applicable. For purposes of this subparagraph, the term “control” with respect to a bank

holding company shall have the same meaning as in section 2(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(2)(a)(2)). For purposes of this subparagraph, the term “control” with respect to a savings and loan holding company shall have the same meaning as in 10(a)(2) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)(2)).

(E) REQUIREMENT TO PROVIDE A SMALL BUSINESS LENDING PLAN.—At the time that an applicant submits an application to the Secretary for a capital investment under the Program, the applicant shall deliver to the appropriate Federal banking agency, and, for applicants that are State-chartered banks, to the appropriate State banking regulator, a small business lending plan describing how the applicant’s business strategy and operating goals will allow it to address the needs of small businesses in the areas it serves, as well as a plan to provide linguistically and culturally appropriate outreach, where appropriate. In the case of eligible institutions that are community development loan funds, this plan shall be submitted to the Secretary. This plan shall be confidential supervisory information.

(F) TREATMENT OF APPLICANTS THAT ARE COMMUNITY DEVELOPMENT LOAN FUNDS.—Eligible institutions that are community development loan funds may apply to receive a capital investment from the Fund in an amount not exceeding 5 percent of total assets, as reported in the audited financial statements for the fiscal year of the eligible institution that ends in calendar year 2009.

(2) CONSULTATION WITH REGULATORS.—For each eligible institution that applies to receive a capital investment under the Program, the Secretary shall—

(A) consult with the appropriate Federal banking agency or, in the case of an eligible institution that is a non-depository community development financial institution, the Community Development Financial Institution Fund, for the eligible institution to determine whether the eligible institution may receive such capital investment;

(B) in the case of an eligible institution that is a State-chartered bank, consider any views received from the State banking regulator of the State of the eligible institution regarding the financial condition of the eligible institution; and

(C) in the case of a community development financial institution loan fund, consult with the Community Development Financial Institution Fund.

(3) INELIGIBILITY OF INSTITUTIONS ON FDIC PROBLEM BANK LIST.—

(A) IN GENERAL.—An eligible institution may not receive any capital investment under the Program if—

- (i) such institution is on the FDIC problem bank list; or
- (ii) such institution has been removed from the FDIC problem bank list for less than 90 days.

(B) CONSTRUCTION.—Nothing in subparagraph (A) shall be construed as limiting the discretion of the Secretary to deny the application of an eligible institution that is not on the FDIC problem bank list.

(C) FDIC PROBLEM BANK LIST DEFINED.—For purposes of this subparagraph, the term “FDIC problem bank list” means the list of institutions with a current rating of 4 or 5 under the Uniform Financial Institutions Rating System, or such other list designated by the Federal Deposit Insurance Corporation.

(4) INCENTIVES TO LEND.—

(A) REQUIREMENTS ON PREFERRED STOCK AND OTHER FINANCIAL INSTRUMENTS.—Any preferred stock or other financial instrument issued to Treasury by an eligible institution receiving a capital investment under the Program shall provide that—



(i) the rate at which dividends or interest are payable shall be 5 percent per annum initially;

(ii) within the first 2 years after the date of the capital investment under the Program, the rate may be adjusted based on the amount of an eligible institution's small business lending. Changes in the amount of small business lending shall be measured against the average amount of small business lending reported by the eligible institution in its call reports for the 4 full quarters immediately preceding the date of enactment of this Act, minus adjustments from each quarterly balance in respect of—

(I) net loan charge offs with respect to small business lending; and

(II) gains realized by the eligible institution resulting from mergers, acquisitions or purchases of loans after origination and syndication; which adjustments shall be determined in accordance with guidance promulgated by the Secretary; and

(iii) during any calendar quarter during the initial 2-year period referred to in clause (ii), an institution's rate shall be adjusted to reflect the following schedule, based on that institution's change in the amount of small business lending relative to the baseline—

(I) if the amount of small business lending has increased by less than 2.5 percent, the dividend or interest rate shall be 5 percent;

(II) if the amount of small business lending has increased by 2.5 percent or greater, but by less than 5.0 percent, the dividend or interest rate shall be 4 percent;

(III) if the amount of small business lending has increased by 5.0 percent or greater, but by less than 7.5 percent, the dividend or interest rate shall be 3 percent;

(IV) if the amount of small business lending has increased by 7.5 percent or greater, and but by less than 10.0 percent, the dividend or interest rate shall be 2 percent; or

(V) if the amount of small business lending has increased by 10 percent or greater, the dividend or interest rate shall be 1 percent.

(B) BASIS OF INITIAL RATE.—The initial dividend or interest rate shall be based on call report data published in the quarter immediately preceding the date of the capital investment under the Program.

(C) TIMING OF RATE ADJUSTMENTS.—Any rate adjustment shall occur in the calendar quarter following the publication of call report data, such that the rate based on call report data from any one calendar quarter, which is published in the first following calendar quarter, shall be adjusted in that first following calendar quarter and payable in the second following quarter.

(D) RATE FOLLOWING INITIAL 2-YEAR PERIOD.—Generally, the rate based on call report data from the eighth calendar quarter after the date of the capital investment under the Program shall be payable until the expiration of the 4½-year period that begins on the date of the investment. In the case where the amount of small business lending has remained the same or decreased relative to the institution's baseline in the eighth quarter after the date of the capital investment under the Program, the rate shall be 7 percent until the expiration of the 4½-year period that begins on the date of the investment.

(E) RATE FOLLOWING INITIAL 4½-YEAR PERIOD.—The dividend or interest rate paid on any preferred stock or other financial instrument issued by an eligible institution that receives a capital investment under the Program shall increase to 9 percent at the end of the 4½-year period that begins on the date of the capital investment under the Program.

(F) LIMITATION ON RATE REDUCTIONS WITH RESPECT TO CERTAIN AMOUNT.—The reduction in the dividend or interest rate payable to Treasury by any eligible institution shall be

limited such that the rate reduction shall not apply to a dollar amount of the investment made by Treasury that is greater than the dollar amount increase in the amount of small business lending realized under this program. The Secretary may issue guidelines that will apply to new capital investments limiting the amount of capital available to eligible institutions consistent with this limitation.

(G) RATE ADJUSTMENTS FOR S CORPORATION.—Before making a capital investment in an eligible institution that is an S corporation or a corporation organized on a mutual basis, the Secretary may adjust the dividend or interest rate on the financial instrument to be issued to the Secretary, from the dividend or interest rate that would apply under subparagraphs (A) through (F), to take into account any differential tax treatment of securities issued by such eligible institution. For purpose of this subparagraph, the term "S corporation" has the same meaning as in section 1361(a) of the Internal Revenue Code of 1986.

(H) REPAYMENT DEADLINE.—The capital investment received by an eligible institution under the Program shall be evidenced by preferred stock or other financial instrument that—

(i) includes, as a term and condition, that the capital investment will—

(I) be repaid not later than the end of the 10-year period beginning on the date of the capital investment under the Program; or

(II) at the end of such 10-year period, be subject to such additional terms as the Secretary shall prescribe, which shall include a requirement that the stock or instrument shall carry the highest dividend or interest rate payable; and

(ii) provides that the term and condition described under clause (i) shall not apply if the application of that term and condition would adversely affect the capital treatment of the stock or financial instrument under current or successor applicable capital provisions compared to a capital instrument with identical terms other than the term and condition described under clause (i).

(I) REQUIREMENTS ON FINANCIAL INSTRUMENTS ISSUED BY A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND.—Any equity equivalent capital issued to the Treasury by a community development loan fund receiving a capital investment under the Program shall provide that the rate at which interest is payable shall be 2 percent per annum for 8 years. After 8 years, the rate at which interest is payable shall be 9 percent.

(5) ADDITIONAL INCENTIVES TO REPAY.—The Secretary may, by regulation or guidance issued under section 3104(9), establish repayment incentives in addition to the incentive in paragraph (4)(E) that will apply to new capital investments in a manner that the Secretary determines to be consistent with the purposes of this subtitle.

(6) CAPITAL PURCHASE PROGRAM REFINANCE.—

(A) IN GENERAL.—The Secretary shall, in a manner that the Secretary determines to be consistent with the purposes of this subtitle, issue regulations and other guidance to permit eligible institutions to refinance securities issued to Treasury under the CDCI and the CPP for securities to be issued under the Program.

(B) PROHIBITION ON PARTICIPATION BY NON-PAYING CPP PARTICIPANTS.—Subparagraph (A) shall not apply to any eligible institution that has missed more than one dividend payment due under the CPP. For purposes of this subparagraph, a CPP dividend payment that is submitted within 60 days of the due date of such payment shall not be considered a missed dividend payment.

(7) OUTREACH TO MINORITIES, WOMEN, AND VETERANS.—The Secretary shall require eligible institutions receiving capital investments under the Program to provide linguistically and culturally appropriate outreach and advertising in the applicant pool describing the availability and application process of receiving loans from the eligible institution that are made possible by the Program through the use of print, radio, television or electronic media outlets which target organizations, trade associations, and individuals that—

(A) represent or work within or are members of minority communities;

(B) represent or work with or are women; and

(C) represent or work with or are veterans.

(8) ADDITIONAL TERMS.—The Secretary may, by regulation or guidance issued under section 3104(9), make modifications that will apply to new capital investments in order to manage risks associated with the administration of the Fund in a manner consistent with the purposes of this subtitle.

(9) MINIMUM UNDERWRITING STANDARDS.—The appropriate Federal banking agency for an eligible institution that receives funds under the Program shall within 60 days issue guidance regarding prudent underwriting standards that must be used for loans made by the eligible institution using such funds..

#### SEC. 3104. ADDITIONAL AUTHORITIES OF THE SECRETARY.

The Secretary may take such actions as the Secretary deems necessary to carry out the authorities in this subtitle, including, without limitation, the following:

(1) The Secretary may use the services of any agency or instrumentality of the United States or component thereof on a reimbursable basis, and any such agency or instrumentality or component thereof is authorized to provide services as requested by the Secretary using all authorities vested in or delegated to that agency, instrumentality, or component.

(2) The Secretary may enter into contracts, including contracts for services authorized by section 3109 of title 5, United States Code.

(3) The Secretary may designate any bank, savings association, trust company, security broker or dealer, asset manager, or investment adviser as a financial agent of the Federal Government and such institution shall perform all such reasonable duties related to this subtitle as financial agent of the Federal Government as may be required. The Secretary shall have authority to amend existing agreements with financial agents, entered into during the 2-year period before the date of enactment of this Act, to perform reasonable duties related to this subtitle.

(4) The Secretary may exercise any rights received in connection with any preferred stock or other financial instruments or assets purchased or acquired pursuant to the authorities granted under this subtitle.

(5) Subject to section 3103(b)(3), the Secretary may manage any assets purchased under this subtitle, including revenues and portfolio risks therefrom.

(6) The Secretary may sell, dispose of, transfer, exchange or enter into securities loans, repurchase transactions, or other financial transactions in regard to, any preferred stock or other financial instrument or asset purchased or acquired under this subtitle, upon terms and conditions and at a price determined by the Secretary.

(7) The Secretary may manage or prohibit conflicts of interest that may arise in connection with the administration and execution of the authorities provided under this subtitle.

(8) The Secretary may establish and use vehicles, subject to supervision by the Secretary, to purchase, hold, and sell preferred stock or other financial instruments and issue obligations.

(9) The Secretary may, in consultation with the Administrator of the Small Business Administration, issue such regulations and other guidance as may be necessary or appropriate to define terms or carry out the authorities or purposes of this subtitle.

#### SEC. 3105. CONSIDERATIONS.

In exercising the authorities granted in this subtitle, the Secretary shall take into consideration—

(1) increasing the availability of credit for small businesses;

(2) providing funding to minority-owned eligible institutions and other eligible institutions that serve small businesses that are minority-, veteran-, and women-owned and that also serve low- and moderate-income, minority, and other underserved or rural communities;

(3) protecting and increasing American jobs;

(4) increasing the opportunity for small business development in areas with high unemployment rates that exceed the national average;

(5) ensuring that all eligible institutions may apply to participate in the program established under this subtitle, without discrimination based on geography;

(6) providing transparency with respect to use of funds provided under this subtitle;

(7) minimizing the cost to taxpayers of exercising the authorities;

(8) promoting and engaging in financial education to would-be borrowers; and

(9) providing funding to eligible institutions that serve small businesses directly affected by the discharge of oil arising from the explosion on and sinking of the mobile offshore drilling unit Deepwater Horizon and small businesses in communities that have suffered negative economic effects as a result of that discharge with particular consideration to States along the coast of the Gulf of Mexico.

#### SEC. 3106. REPORTS.

The Secretary shall provide to the appropriate committees of Congress—

(1) within 7 days of the end of each month commencing with the first month in which transactions are made under the Program, a written report describing all of the transactions made during the reporting period pursuant to the authorities granted under this subtitle;

(2) after the end of March and the end of September, commencing September 30, 2010, a written report on all projected costs and liabilities, all operating expenses, including compensation for financial agents, and all transactions made by the Fund, which shall include participating institutions and amounts each institution has received under the Program; and

(3) within 7 days of the end of each calendar quarter commencing with the first calendar quarter in which transactions are made under the Program, a written report detailing how eligible institutions participating in the Program have used the funds such institutions received under the Program.

#### SEC. 3107. OVERSIGHT AND AUDITS.

(a) INSPECTOR GENERAL OVERSIGHT.—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the Program through the Office of Small Business Lending Fund Program Oversight established under subsection (b).

(b) OFFICE OF SMALL BUSINESS LENDING FUND PROGRAM OVERSIGHT.—

(1) ESTABLISHMENT.—There is hereby established within the Office of the Inspector General of the Department of the Treasury a new office to be named the “Office of Small Business Lending Fund Program Oversight” to provide oversight of the Program.

(2) LEADERSHIP.—The Inspector General shall appoint a Special Deputy Inspector General for SBLF Program Oversight to lead the Office, with commensurate staff, who shall report directly to the Inspector General and who shall be responsible for the performance of all auditing and investigative activities relating to the Program.

(3) REPORTING.—

(A) IN GENERAL.—The Inspector General shall issue a report no less than two times a year to the Congress and the Secretary devoted to the oversight provided by the Office, including any recommendations for improvements to the Program.

(B) RECOMMENDATIONS.—With respect to any deficiencies identified in a report under subparagraph (A), the Secretary shall either—

(i) take actions to address such deficiencies; or

(ii) certify to the appropriate committees of Congress that no action is necessary or appropriate.

(4) COORDINATION.—The Inspector General, in maximizing the effectiveness of the Office, shall work with other Offices of Inspector General, as appropriate, to minimize duplication of effort and ensure comprehensive oversight of the Program.

(5) TERMINATION.—The Office shall terminate at the end of the 6-month period beginning on the date on which all capital investments are repaid under the Program or the date on which the Secretary determines that any remaining capital investments will not be repaid.

(6) DEFINITIONS.—For purposes of this subsection:

(A) OFFICE.—The term “Office” means the Office of Small Business Lending Fund Program Oversight established under paragraph (1).

(B) INSPECTOR GENERAL.—The term “Inspector General” means the Inspector General of the Department of the Treasury.

(C) GAO AUDIT.—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(d) REQUIRED CERTIFICATIONS.—

(1) ELIGIBLE INSTITUTION CERTIFICATION.—Each eligible institution that participates in the Program must certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in 31 U.S.C. 5312(a)(2) and (c)(1)(A), to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) LOAN RECIPIENTS.—With respect to funds received by an eligible institution under the Program, any business receiving a loan from the eligible institution using such funds after the date of the enactment of this Act shall certify to such eligible institution that the principals of such business have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(e) PROHIBITION ON PORNOGRAPHY.—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

#### SEC. 3108. CREDIT REFORM; FUNDING.

(a) CREDIT REFORM.—The cost of purchases of preferred stock and other financial instruments made as capital investments under this subtitle shall be determined as provided under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(b) FUNDS MADE AVAILABLE.—There are hereby appropriated, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary to pay the costs of \$30,000,000,000 of capital investments in eligible institutions, including the costs of modifying such investments, and reasonable costs of administering the program of making, holding, managing, and selling the capital investments.

#### SEC. 3109. TERMINATION AND CONTINUATION OF AUTHORITIES.

(a) TERMINATION OF INVESTMENT AUTHORITY.—The authority to make capital investments in eligible institutions, including commitments to purchase preferred stock or other instruments, provided under this subtitle shall terminate 1 year after the date of enactment of this Act.

(b) CONTINUATION OF OTHER AUTHORITIES.—The authorities of the Secretary under section 3104 shall not be limited by the termination date in subsection (a).

#### SEC. 3110. PRESERVATION OF AUTHORITY.

Nothing in this subtitle may be construed to limit the authority of the Secretary under any other provision of law.

#### SEC. 3111. ASSURANCES.

(a) SMALL BUSINESS LENDING FUND SEPARATE FROM TARP.—The Small Business Lending Fund Program is established as separate and distinct from the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008. An institution shall not, by virtue of a capital investment under the Small Business Lending Fund Program, be considered a recipient of the Troubled Asset Relief Program.

(b) CHANGE IN LAW.—If, after a capital investment has been made in an eligible institution under the Program, there is a change in law that modifies the terms of the investment or program in a materially adverse respect for the eligible institution, the eligible institution may, after consultation with the appropriate Federal banking agency for the eligible institution, repay the investment without impediment.

#### SEC. 3112. STUDY AND REPORT WITH RESPECT TO WOMEN-OWNED, VETERAN-OWNED, AND MINORITY-OWNED BUSINESSES.

(a) STUDY.—The Secretary shall conduct a study of the impact of the Program on women-owned businesses, veteran-owned businesses, and minority-owned businesses.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted pursuant to subsection (a). To the extent possible, the Secretary shall disaggregate the results of such study by ethnic group and gender.

(c) INFORMATION PROVIDED TO THE SECRETARY.—Eligible institutions that participate in the Program shall provide the Secretary with such information as the Secretary may require to carry out the study required by this section.

**SEC. 3113. SENSE OF CONGRESS.**

It is the sense of Congress that the Federal Deposit Insurance Corporation and other bank regulators are sending mixed messages to banks regarding regulatory capital requirements and lending standards, which is a contributing cause of decreased small business lending and increased regulatory uncertainty at community banks.

**Subtitle B—State Small Business Credit Initiative**

**SEC. 3201. SHORT TITLE.**

This subtitle may be cited as the “State Small Business Credit Initiative Act of 2010”.

**SEC. 3202. DEFINITIONS.**

In this subtitle, the following definitions shall apply:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means—

(A) the Committee on Small Business and Entrepreneurship, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Finance, the Committee on the Budget, and the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business, the Committee on Agriculture, the Committee on Financial Services, the Committee on Ways and Means, the Committee on the Budget, and the Committee on Appropriations of the House of Representatives.

(2) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term “appropriate Federal banking agency” means—

(A) has the same meaning as in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)); and

(B) includes the National Credit Union Administration Board in the case of any credit union the deposits of which are insured in accordance with the Federal Credit Union Act.

(3) **ENROLLED LOAN.**—The term “enrolled loan” means a loan made by a financial institution lender that is enrolled by a participating State in an approved State capital access program in accordance with this subtitle.

(4) **FEDERAL CONTRIBUTION.**—The term “Federal contribution” means the portion of the contribution made by a participating State to, or for the account of, an approved State program that is made with Federal funds allocated to the State by the Secretary under section 3203.

(5) **FINANCIAL INSTITUTION.**—The term “financial institution” means any insured depository institution, insured credit union, or community development financial institution, as those terms are each defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702).

(6) **PARTICIPATING STATE.**—The term “participating State” means any State that has been approved for participation in the Program under section 3204.

(7) **PROGRAM.**—The term “Program” means the State Small Business Credit Initiative established under this subtitle.

(8) **QUALIFYING LOAN OR SWAP FUNDING FACILITY.**—The term “qualifying loan or swap funding facility” means a contractual arrangement between a participating State and a private financial entity under which—

(A) the participating State delivers funds to the entity as collateral;

(B) the entity provides funding from the arrangement back to the participating State; and

(C) the full amount of resulting funding from the arrangement, less any fees and other costs of the arrangement, is contributed to, or for the account of, an approved State program.

(9) **RESERVE FUND.**—The term “reserve fund” means a fund, established by a participating State, dedicated to a particular financial institution lender, for the purposes of—

(A) depositing all required premium charges paid by the financial institution lender and by each borrower receiving a loan under an approved State program from that financial institution lender;

(B) depositing contributions made by the participating State, including State contributions made with Federal contributions; and

(C) covering losses on enrolled loans by disbursing accumulated funds.

(10) **STATE.**—The term “State” means—

(A) a State of the United States;

(B) the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of Northern Mariana Islands, Guam, American Samoa, and the United States Virgin Islands;

(C) when designated by a State of the United States, a political subdivision of that State that the Secretary determines has the capacity to participate in the Program; and

(D) under the circumstances described in section 3204(d), a municipality of a State of the United States to which the Secretary has given a special permission under section 3204(d).

(11) **STATE CAPITAL ACCESS PROGRAM.**—The term “State capital access program” means a program of a State that—

(A) uses public resources to promote private access to credit; and

(B) meets the eligibility criteria in section 3205(c).

(12) **STATE OTHER CREDIT SUPPORT PROGRAM.**—The term “State other credit support program” means—

(A) means a program of a State that—

(i) uses public resources to promote private access to credit;

(ii) is not a State capital access program; and

(iii) meets the eligibility criteria in section 3206(c); and

(B) includes, collateral support programs, loan participation programs, State-run venture capital fund programs, and credit guarantee programs.

(13) **STATE PROGRAM.**—The term “State program” means a State capital access program or a State other credit support program.

(14) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

**SEC. 3203. FEDERAL FUNDS ALLOCATED TO STATES.**

(a) **PROGRAM ESTABLISHED; PURPOSE.**—There is established the State Small Business Credit Initiative, to be administered by the Secretary. Under the Program, the Secretary shall allocate Federal funds to participating States and make the allocated funds available to the participating States as provided in this section for the uses described in this section.

(b) **ALLOCATION FORMULA.**—

(1) **IN GENERAL.**—Not later than 30 days after the date of enactment of this Act, the Secretary shall allocate Federal funds to participating States so that each State is eligible to receive an amount equal to the average of the respective amounts that the State—

(A) would receive under the 2009 allocation, as determined under paragraph (2); and

(B) would receive under the 2010 allocation, as determined under paragraph (3).

(2) **2009 ALLOCATION FORMULA.**—

(A) **IN GENERAL.**—The Secretary shall determine the 2009 allocation by allocating Federal funds among the States in the proportion that each such State’s 2008 State employment decline bears to the aggregate of the 2008 State employment declines for all States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2008 STATE EMPLOYMENT DECLINE DEFINED.**—In this paragraph and with respect to a State, the term “2008 State employment decline” means the excess (if any) of—

(i) the number of individuals employed in such State determined for December 2007; over

(ii) the number of individuals employed in such State determined for December 2008.

(3) **2010 ALLOCATION FORMULA.**—

(A) **IN GENERAL.**—The Secretary shall determine the 2010 allocation by allocating Federal funds among the States in the proportion that each such State’s 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

(B) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under subparagraph (A) for each State to the extent necessary to ensure that no State receives less than 0.9 percent of the Federal funds.

(C) **2009 UNEMPLOYMENT NUMBER DEFINED.**—In this paragraph and with respect to a State, the term “2009 unemployment number” means the number of individuals within such State who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

(c) **AVAILABILITY OF ALLOCATED AMOUNT.**—The amount allocated by the Secretary to each participating State under subsection (b) shall be made available to the State as follows:

(1) **ALLOCATED AMOUNT GENERALLY TO BE AVAILABLE TO STATE IN ONE-THIRDS.**—

(A) **IN GENERAL.**—The Secretary shall—

(i) apportion the participating State’s allocated amount into thirds;

(ii) transfer to the participating State the first ⅓ when the Secretary approves the State for participation under section 3204; and

(iii) transfer to the participating State each successive ⅓ when the State has certified to the Secretary that it has expended, transferred, or obligated 80 percent of the last transferred ⅓ for Federal contributions to, or for the account of, State programs.

(B) **AUTHORITY TO WITHHOLD PENDING AUDIT.**—The Secretary may withhold the transfer of any successive ⅓ pending results of a financial audit.

(C) **INSPECTOR GENERAL AUDITS.**—

(i) **IN GENERAL.**—The Inspector General of the Department of the Treasury shall carry out an audit of the participating State’s use of allocated Federal funds transferred to the State.

(ii) **RECOUPMENT OF MISUSED TRANSFERRED FUNDS REQUIRED.**—The allocation agreement between the Secretary and the participating State shall provide that the Secretary shall recoup any allocated Federal funds transferred to the participating State if the results of the an audit include a finding that there was an intentional or reckless misuse of transferred funds by the State.

(iii) **PENALTY FOR MISSTATEMENT.**—Any participating State that is found to have intentionally misstated any report issued to the Secretary under the Program shall be ineligible to receive any additional funds under the Program. Funds that had been allocated or that would otherwise have been allocated to such participating State shall be paid into the general fund of the Treasury for reduction of the public debt.

(iv) **MUNICIPALITIES.**—In this subparagraph, the term “participating State” shall include a municipality given special permission to participate in the Program, under section 3204(d).

(D) EXCEPTION.—The Secretary may, in the Secretary's discretion, transfer the full amount of the participating State's allocated amount to the State in a single transfer if the participating State applies to the Secretary for approval to use the full amount of the allocation as collateral for a qualifying loan or swap funding facility.

(2) TRANSFERRED AMOUNTS.—Each amount transferred to a participating State under this section shall remain available to the State until used by the State as permitted under paragraph (3).

(3) USE OF TRANSFERRED FUNDS.—Each participating State may use funds transferred to it under this section only—

(A) for making Federal contributions to, or for the account of, an approved State program;

(B) as collateral for a qualifying loan or swap funding facility;

(C) in the case of the first  $\frac{1}{3}$  transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 5 percent of that first  $\frac{1}{3}$ ; or

(D) in the case of each successive  $\frac{1}{3}$  transferred, for paying administrative costs incurred by the State in implementing an approved State program in an amount not to exceed 3 percent of that successive  $\frac{1}{3}$ .

(4) TERMINATION OF AVAILABILITY OF AMOUNTS NOT TRANSFERRED WITHIN 2 YEARS OF PARTICIPATION.—Any portion of a participating State's allocated amount that has not been transferred to the State under this section by the end of the 2-year period beginning on the date that the Secretary approves the State for participation may be deemed by the Secretary to be no longer allocated to the State and no longer available to the State and shall be returned to the General Fund of the Treasury.

(5) TRANSFERRED AMOUNTS NOT ASSISTANCE.—The amounts transferred to a participating State under this section shall not be considered assistance for purposes of subtitle V of title 31, United States Code.

(6) DEFINITIONS.—In this section—

(A) the term "allocated amount" means the total amount of Federal funds allocated by the Secretary under subsection (b) to the participating State; and

(B) the term " $\frac{1}{3}$ " means—

(i) in the case of the first  $\frac{1}{3}$  and second  $\frac{1}{3}$ , an amount equal to 33 percent of a participating State's allocated amount; and

(ii) in the case of the last  $\frac{1}{3}$ , an amount equal to 34 percent of a participating State's allocated amount.

#### SEC. 3204. APPROVING STATES FOR PARTICIPATION.

(a) APPLICATION.—Any State may apply to the Secretary for approval to be a participating State under the Program and to be eligible for an allocation of Federal funds under the Program.

(b) GENERAL APPROVAL CRITERIA.—The Secretary shall approve a State to be a participating State, if—

(1) a specific department, agency, or political subdivision of the State has been designated to implement a State program and participate in the Program;

(2) all legal actions necessary to enable such designated department, agency, or political subdivision to implement a State program and participate in the Program have been accomplished;

(3) the State has filed an application with the Secretary for approval of a State capital access program under section 3205 or approval as a State other credit support program under section 3206, in each case within the time period provided in the respective section; and

(4) the State and the Secretary have executed an allocation agreement that—

(A) conforms to the requirements of this subtitle;

(B) ensures that the State program complies with such national standards as are established by the Secretary under section 3209(a)(2);

(C) sets forth internal control, compliance, and reporting requirements as established by the Secretary, and such other terms and conditions necessary to carry out the purposes of this subtitle, including an agreement by the State to allow the Secretary to audit State programs;

(D) requires that the State program be fully positioned, within 90 days of the State's execution of the allocation agreement with the Secretary, to act on providing the kind of credit support that the State program was established to provide; and

(E) includes an agreement by the State to deliver to the Secretary, and update annually, a schedule describing how the State intends to apportion among its State programs the Federal funds allocated to the State.

(c) CONTRACTUAL ARRANGEMENTS FOR IMPLEMENTATION OF STATE PROGRAMS.—A State may be approved to be a participating State, and be eligible for an allocation of Federal funds under the Program, if the State has contractual arrangements for the implementation and administration of its State program with—

(1) an existing, approved State program administered by another State; or

(2) an authorized agent of, or entity supervised by, the State, including for-profit and not-for-profit entities.

(d) SPECIAL PERMISSION.—

(1) CIRCUMSTANCES WHEN A MUNICIPALITY MAY APPLY DIRECTLY.—If a State does not, within 60 days after the date of enactment of this Act, file with the Secretary a notice of its intent to apply for approval by the Secretary of a State program or within 9 months after the date of enactment of this Act, file with the Secretary a complete application for approval of a State program, the Secretary may grant to municipalities of that State a special permission that will allow them to apply directly to the Secretary without the State for approval to be participating municipalities.

(2) TIMING REQUIREMENTS APPLICABLE TO MUNICIPALITIES APPLYING DIRECTLY.—To qualify for the special permission, a municipality of a State shall be required, within 12 months after the date of enactment of this Act, to file with the Secretary a complete application for approval by the Secretary of a State program.

(3) NOTICES OF INTENT AND APPLICATIONS FROM MORE THAN 1 MUNICIPALITY.—A municipality of a State may combine with 1 or more other municipalities of that State to file a joint notice of intent to file and a joint application.

(4) APPROVAL CRITERIA.—The general approval criteria in paragraphs (2) and (4) shall apply.

(5) ALLOCATION TO MUNICIPALITIES.—

(A) IF MORE THAN 3.—If more than 3 municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to the 3 municipalities with the largest populations.

(B) IF 3 OR FEWER.—If 3 or fewer municipalities, or combination of municipalities as provided in paragraph (3), of a State apply for approval by the Secretary to be participating municipalities under this subsection, and the applications meet the approval criteria in paragraph (4), the Secretary shall allocate Federal funds to each applicant municipality or combination of municipalities.

(6) APPORTIONMENT OF ALLOCATED AMOUNT AMONG PARTICIPATING MUNICIPALITIES.—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall apportion the full amount of the Federal funds that are allocated to that State to municipalities that are approved under this subsection in amounts proportionate to the population of those municipalities, based on the most recent available decennial census.

(7) APPROVING STATE PROGRAMS FOR MUNICIPALITIES.—If the Secretary approves municipalities to be participating municipalities under this subsection, the Secretary shall take into account the additional considerations in section 3206(d) in making the determination under section 3205 or 3206 that the State program or programs to be implemented by the participating municipalities, including a State capital access program, is eligible for Federal contributions to, or for the account of, the State program.

#### SEC. 3205. APPROVING STATE CAPITAL ACCESS PROGRAMS.

(a) APPLICATION.—A participating State that establishes a new, or has an existing, State capital access program that meets the eligibility criteria in subsection (c) may apply to Secretary to have the State capital access program approved as eligible for Federal contributions to the reserve fund.

(b) APPROVAL.—The Secretary shall approve such State capital access program as eligible for Federal contributions to the reserve fund if—

(1) within 60 days after the date of enactment of this Act, the State has filed with the Secretary a notice of intent to apply for approval by the Secretary of a State capital access program;

(2) within 9 months after the date of enactment of this Act, the State has filed with the Secretary a complete application for approval by the Secretary of a capital access program;

(3) the State satisfies the requirements of subsections (a) and (b) of section 3204; and

(4) the State capital access program meets the eligibility criteria in subsection (c).

(c) ELIGIBILITY CRITERIA FOR STATE CAPITAL ACCESS PROGRAMS.—For a State capital access program to be approved under this section, that program shall be required to be a program of the State that—

(1) provides portfolio insurance for business loans based on a separate loan-loss reserve fund for each financial institution;

(2) requires insurance premiums to be paid by the financial institution lenders and by the business borrowers to the reserve fund to have their loans enrolled in the reserve fund;

(3) provides for contributions to be made by the State to the reserve fund in amounts at least equal to the sum of the amount of the insurance premium charges paid by the borrower and the financial institution to the reserve fund for any newly enrolled loan; and

(4) provides its portfolio insurance solely for loans that meet both the following requirements:

(A) The borrower has 500 employees or less at the time that the loan is enrolled in the Program.

(B) The loan amount does not exceed \$5,000,000.

(d) FEDERAL CONTRIBUTIONS TO APPROVED STATE CAPITAL ACCESS PROGRAMS.—A State capital access program approved under this section will be eligible for receiving Federal contributions to the reserve fund in an amount equal to the sum of the amount of the insurance premium charges paid by the borrowers and by the financial institution to the reserve fund for loans that meet the requirements in subsection (c)(4). A participating State may use the Federal contribution to make its contribution to the reserve

fund of an approved State capital access program.

(e) **MINIMUM PROGRAM REQUIREMENTS FOR STATE CAPITAL ACCESS PROGRAMS.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements that meet the following minimum requirements:

(1) **EXPERIENCE AND CAPACITY.**—The participating State shall determine for each financial institution that participates in the State capital access program, after consultation with the appropriate Federal banking agency or, in the case of a financial institution that is a nondepository community development financial institution, the Community Development Financial Institution Fund, that the financial institution has sufficient commercial lending experience and financial and managerial capacity to participate in the approved State capital access program. The determination by the State shall not be reviewable by the Secretary.

(2) **INVESTMENT AUTHORITY.**—Subject to applicable State law, the participating State may invest, or cause to be invested, funds held in a reserve fund by establishing a deposit account at the financial institution lender in the name of the participating State. In the event that funds in the reserve fund are not deposited in such an account, such funds shall be invested in a form that the participating State determines is safe and liquid.

(3) **LOAN TERMS AND CONDITIONS TO BE DETERMINED BY AGREEMENT.**—A loan to be filed for enrollment in an approved State capital access program may be made with such interest rate, fees, and other terms and conditions, and the loan may be enrolled in the approved State capital access program and claims may be filed and paid, as agreed upon by the financial institution lender and the borrower, consistent with applicable law.

(4) **LENDER CAPITAL AT-RISK.**—A loan to be filed for enrollment in the State capital access program shall require the financial institution lender to have a meaningful amount of its own capital resources at risk in the loan.

(5) **PREMIUM CHARGES MINIMUM AND MAXIMUM AMOUNTS.**—The insurance premium charges payable to the reserve fund by the borrower and the financial institution lender shall be prescribed by the financial institution lender, within minimum and maximum limits that require that the sum of the insurance premium charges paid in connection with a loan by the borrower and the financial institution lender may not be less than 2 percent nor more than 7 percent of the amount of the loan enrolled in the approved State capital access program.

(6) **STATE CONTRIBUTIONS.**—In enrolling a loan in an approved State capital access program, the participating State may make a contribution to the reserve fund to supplement Federal contributions made under this Program.

(7) **LOAN PURPOSE.**—

(A) **PARTICULAR LOAN PURPOSE REQUIREMENTS AND PROHIBITIONS.**—In connection with the filing of a loan for enrollment in an approved State capital access program, the financial institution lender—

(i) shall obtain an assurance from each borrower that—

(I) the proceeds of the loan will be used for a business purpose;

(II) the loan will not be used to finance such business activities as the Secretary, by regulation, may proscribe as prohibited loan purposes for enrollment in an approved State capital access program; and

(III) the borrower is not—

(aa) an executive officer, director, or principal shareholder of the financial institution lender;

(bb) a member of the immediate family of an executive officer, director, or principal shareholder of the financial institution lender; or

(cc) a related interest of any such executive officer, director, principal shareholder, or member of the immediate family;

(ii) shall provide assurances to the participating State that the loan has not been made in order to place under the protection of the approved State capital access program prior debt that is not covered under the approved State capital access program and that is or was owed by the borrower to the financial institution lender or to an affiliate of the financial institution lender;

(iii) shall not allow the enrollment of a loan to a borrower that is a refinancing of a loan previously made to that borrower by the financial institution lender or an affiliate of the financial institution lender; and

(iv) may include additional restrictions on the eligibility of loans or borrowers that are not inconsistent with the provisions and purposes of this subtitle, including compliance with all applicable Federal and State laws, regulations, ordinances, and Executive orders.

(B) **DEFINITIONS.**—In this paragraph, the terms “executive officer”, “director”, “principal shareholder”, “immediate family”, and “related interest” refer to the same relationship to a financial institution lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

(8) **CAPITAL ACCESS FOR SMALL BUSINESSES IN UNDERSERVED COMMUNITIES.**—At the time that a State applies to the Secretary to have the State capital access program approved as eligible for Federal contributions, the State shall deliver to the Secretary a report stating how the State plans to use the Federal contributions to the reserve fund to provide access to capital for small businesses in low- and moderate-income, minority, and other underserved communities, including women- and minority-owned small businesses.

**SEC. 3206. APPROVING COLLATERAL SUPPORT AND OTHER INNOVATIVE CREDIT ACCESS AND GUARANTEE INITIATIVES FOR SMALL BUSINESSES AND MANUFACTURERS.**

(a) **APPLICATION.**—A participating State that establishes a new, or has an existing, credit support program that meets the eligibility criteria in subsection (c) may apply to the Secretary to have the State other credit support program approved as eligible for Federal contributions to, or for the account of, the State program.

(b) **APPROVAL.**—The Secretary shall approve such State other credit support program as eligible for Federal contributions to, or for the account of, the program if—

(1) the Secretary determines that the State satisfies the requirements of paragraphs (1) through (3) of section 3205(b);

(2) the Secretary determines that the State other credit support program meets the eligibility criteria in subsection (c);

(3) the Secretary determines the State other credit support program to be eligible based on the additional considerations in subsection (d); and

(4) within 9 months after the date of enactment of this Act, the State has filed with Treasury a complete application for Treasury approval.

(c) **ELIGIBILITY CRITERIA FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—For a State other credit support program to be approved under this section, that program shall be required to be a program of the State that—

(1) can demonstrate that, at a minimum, \$1 of public investment by the State program will cause and result in \$1 of new private credit;

(2) can demonstrate a reasonable expectation that, when considered with all other State programs of the State, such State programs together have the ability to use amounts of new Federal contributions to, or for the account of, all such programs in the State to cause and result in amounts of new small business lending at least 10 times the new Federal contribution amount;

(3) for those State other credit support programs that provide their credit support through 1 or more financial institution lenders, requires the financial institution lenders to have a meaningful amount of their own capital resources at risk in their small business lending; and

(4) uses Federal funds allocated under this subtitle to extend credit support that—

(A) targets an average borrower size of 500 employees or less;

(B) does not extend credit support to borrowers that have more than 750 employees;

(C) targets support towards loans with an average principal amount of \$5,000,000 or less; and

(D) does not extend credit support to loans that exceed a principal amount of \$20,000,000.

(d) **ADDITIONAL CONSIDERATIONS.**—In making a determination that a State other credit support program is eligible for Federal contributions to, or for the account of, the State program, the Secretary shall take into account the following additional considerations:

(1) The anticipated benefits to the State, its businesses, and its residents to be derived from the Federal contributions to, or for the account of, the approved State other credit support program, including the extent to which resulting small business lending will expand economic opportunities.

(2) The operational capacity, skills, and experience of the management team of the State other credit support program.

(3) The capacity of the State other credit support program to manage increases in the volume of its small business lending.

(4) The internal accounting and administrative controls systems of the State other credit support program, and the extent to which they can provide reasonable assurance that funds of the State program are safeguarded against waste, loss, unauthorized use, or misappropriation.

(5) The soundness of the program design and implementation plan of the State other credit support program.

(e) **FEDERAL CONTRIBUTIONS TO APPROVED STATE OTHER CREDIT SUPPORT PROGRAMS.**—A State other credit support program approved under this section will be eligible for receiving Federal contributions to, or for the account of, the State program in an amount consistent with the schedule describing the apportionment of allocated Federal funds among State programs delivered by the State to the Secretary under the allocation agreement.

(f) **MINIMUM PROGRAM REQUIREMENTS FOR STATE OTHER CREDIT SUPPORT PROGRAMS.**—

(1) **FUND TO PRESCRIBE.**—The Secretary shall, by regulation or other guidance, prescribe Program requirements for approved State other credit support programs.

(2) **CONSIDERATIONS FOR FUND.**—In prescribing minimum Program requirements for approved State other credit support programs, the Secretary shall take into consideration, to the extent the Secretary determines applicable and appropriate, the minimum Program requirements for approved State capital access programs in section 3205(e).

**SEC. 3207. REPORTS.**

(a) **QUARTERLY USE-OF-FUNDS REPORT.**—

(1) **IN GENERAL.**—Not later than 30 days after the beginning of each calendar quarter,

beginning after the first full calendar quarter to occur after the date the Secretary approves a State for participation, the participating State shall submit to the Secretary a report on the use of Federal funding by the participating State during the previous calendar quarter.

(2) **REPORT CONTENTS.**—Each report under this subsection shall—

(A) indicate the total amount of Federal funding used by the participating State; and

(B) include a certification by the participating State that—

(i) the information provided in accordance with subparagraph (A) is accurate;

(ii) funds continue to be available and legally committed to contributions by the State to, or for the account of, approved State programs, less any amount that has been contributed by the State to, or for the account of, approved State programs subsequent to the State being approved for participation in the Program; and

(iii) the participating State is implementing its approved State program or programs in accordance with this subtitle and regulations issued under section 3210.

(b) **ANNUAL REPORT.**—Not later than March 31 of each year, beginning March 31, 2011, each participating State shall submit to the Secretary an annual report that shall include the following information:

(1) The number of borrowers that received new loans originated under the approved State program or programs after the State program was approved as eligible for Federal contributions.

(2) The total amount of such new loans.

(3) Breakdowns by industry type, loan size, annual sales, and number of employees of the borrowers that received such new loans.

(4) The zip code of each borrower that received such a new loan.

(5) Such other data as the Secretary, in the Secretary's sole discretion, may require to carry out the purposes of the Program.

(c) **FORM.**—The reports and data filed under subsections (a) and (b) shall be in such form as the Secretary, in the Secretary's sole discretion, may require.

(d) **TERMINATION OF REPORTING REQUIREMENTS.**—The requirement to submit reports under subsections (a) and (b) shall terminate for a participating State with the submission of the completed reports due on the first March 31 to occur after 5 complete 12-month periods after the State is approved by the Secretary to be a participating State.

#### **SEC. 3208. REMEDIES FOR STATE PROGRAM TERMINATION OR FAILURES.**

(a) **REMEDIES.**—

(1) **IN GENERAL.**—If any of the events listed in paragraph (2) occur, the Secretary, in the Secretary's discretion, may—

(A) reduce the amount of Federal funds allocated to the State under the Program; or

(B) terminate any further transfers of allocated amounts that have not yet been transferred to the State.

(2) **CAUSAL EVENTS.**—The events referred to in paragraph (1) are—

(A) termination by a participating State of its participation in the Program;

(B) failure on the part of a participating State to submit complete reports under section 3207 on a timely basis; or

(C) noncompliance by the State with the terms of the allocation agreement between the Secretary and the State.

(b) **DEALLOCATED AMOUNTS TO BE REALLOCATED.**—If, after 13 months, any portion of the amount of Federal funds allocated to a participating State is deemed by the Secretary to be no longer allocated to the State after actions taken by the Secretary under subsection (a)(1), the Secretary shall reallocate that portion among the participating States, excluding the State whose allocated

funds were deemed to be no longer allocated, as provided in section 3203(b).

#### **SEC. 3209. IMPLEMENTATION AND ADMINISTRATION.**

(a) **GENERAL AUTHORITIES AND DUTIES.**—The Secretary shall—

(1) consult with the Administrator of the Small Business Administration and the appropriate Federal banking agencies on the administration of the Program;

(2) establish minimum national standards for approved State programs;

(3) provide technical assistance to States for starting State programs and generally disseminate best practices;

(4) manage, administer, and perform necessary program integrity functions for the Program; and

(5) ensure adequate oversight of the approved State programs, including oversight of the cash flows, performance, and compliance of each approved State program.

(b) **APPROPRIATIONS.**—There is hereby appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, \$900,000,000 to carry out the Program, including to pay reasonable costs of administering the Program.

(c) **TERMINATION OF SECRETARY'S PROGRAM ADMINISTRATION FUNCTIONS.**—The authorities and duties of the Secretary to implement and administer the Program shall terminate at the end of the 7-year period beginning on the date of enactment of this Act.

(d) **EXPEDITED CONTRACTING.**—During the 1-year period beginning on the date of enactment of this Act, the Secretary may enter into contracts without regard to any other provision of law regarding public contracts, for purposes of carrying out this subtitle.

#### **SEC. 3210. REGULATIONS.**

The Secretary, in consultation with the Administrator of the Small Business Administration, shall issue such regulations and other guidance as the Secretary determines necessary or appropriate to implement this subtitle including to define terms, to establish compliance and reporting requirements, and such other terms and conditions necessary to carry out the purposes of this subtitle.

#### **SEC. 3211. OVERSIGHT AND AUDITS.**

(a) **INSPECTOR GENERAL OVERSIGHT.**—The Inspector General of the Department of the Treasury shall conduct, supervise, and coordinate audits and investigations of the use of funds made available under the Program.

(b) **GAO AUDIT.**—The Comptroller General of the United States shall perform an annual audit of the Program and issue a report to the appropriate committees of Congress containing the results of such audit.

(c) **REQUIRED CERTIFICATION.**—

(1) **FINANCIAL INSTITUTIONS CERTIFICATION.**—With respect to funds received by a participating State under the Program, any financial institution that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify that such institution is in compliance with the requirements of section 103.121 of title 31, Code of Federal Regulations, a regulation that, at a minimum, requires financial institutions, as that term is defined in section 5312 (a)(2) and (c)(1)(A) of title 31, United States Code, to implement reasonable procedures to verify the identity of any person seeking to open an account, to the extent reasonable and practicable, maintain records of the information used to verify the person's identity, and determine whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency.

(2) **SEX OFFENSE CERTIFICATION.**—With respect to funds received by a participating

State under the Program, any private entity that receives a loan, a loan guarantee, or other financial assistance using such funds after the date of the enactment of this Act shall certify to the participating State that the principals of such entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)).

(d) **PROHIBITION ON PORNOGRAPHY.**—None of the funds made available under this subtitle may be used to pay the salary of any individual engaged in activities related to the Program who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

#### **TITLE IV—BUDGETARY PROVISIONS**

##### **SEC. 4001. DETERMINATION OF BUDGETARY EFFECTS.**

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

#### **TITLE V**

The provisions of the Act shall become effective upon enactment.

**SA 4408.** Mr. REID proposed an amendment to amendment SA 4407 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

At the end of the amendment, insert the following:

The provision of this Act shall become effective two days after enactment.

**SA 4409.** Mr. REID proposed an amendment to amendment SA 4408 proposed by Mr. REID to the amendment SA 4407 proposed by Mr. REID (for himself, Mr. BAUCUS, and Ms. LANDRIEU) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; as follows:

In the amendment, strike "two days" and insert "immediately".

**SA 4410.** Mr. KERRY (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make



capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . REMOVAL OF CELLULAR TELEPHONES AND SIMILAR TELECOMMUNICATIONS EQUIPMENT FROM LISTED PROPERTY; PARTIAL ANNUITIZATION OFFSET.**

(a) REMOVAL FROM LISTED PROPERTY.—

(1) IN GENERAL.—Subparagraph (A) of section 280F(d)(4) of the Internal Revenue Code of 1986 (defining listed property) is amended by adding “and” at the end of clause (iv), by striking clause (v), and by redesignating clause (vi) as clause (v).

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2009.

(b) SPECIAL RULES FOR ANNUITIES RECEIVED FROM ONLY A PORTION OF A CONTRACT.—

(1) IN GENERAL.—Subsection (a) of section 72 of the Internal Revenue Code of 1986 is amended to read as follows:

“(a) GENERAL RULES FOR ANNUITIES.—

“(1) INCOME INCLUSION.—Except as otherwise provided in this chapter, gross income includes any amount received as an annuity (whether for a period certain or during one or more lives) under an annuity, endowment, or life insurance contract.

“(2) PARTIAL ANNUITIZATION.—If any amount is received as an annuity for a period of 10 years or more or during one or more lives under any portion of an annuity, endowment, or life insurance contract—

“(A) such portion shall be treated as a separate contract for purposes of this section.

“(B) for purposes of applying subsections (b), (c), and (e), the investment in the contract shall be allocated pro rata between each portion of the contract from which amounts are received as an annuity and the portion of the contract from which amounts are not received as an annuity, and

“(C) a separate annuity starting date under subsection (c)(4) shall be determined with respect to each portion of the contract from which amounts are received as an annuity.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to amounts received in taxable years beginning after December 31, 2010.

**SA 4411.** Mr. BINGAMAN (for himself and Mr. KERRY) submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . ALLOWING LOW-INCOME HOUSING CREDITS TO OFFSET 100 PERCENT OF FEDERAL INCOME TAX LIABILITY.**

(a) IN GENERAL.—Subsection (c) of section 38 of the Internal Revenue Code of 1986, as amended by this Act, is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

“(6) ALLOWING LOW-INCOME HOUSING CREDIT TO OFFSET 100 PERCENT OF FEDERAL INCOME TAX LIABILITY.—

“(A) IN GENERAL.—In the case of applicable low-income housing credits—

“(i) this section and section 39 shall be applied separately with respect to such credits, and

“(ii) in applying paragraph (1) to such credits—

“(I) the tentative minimum tax and the net regular tax liability shall be treated as being zero solely for purposes of applying subparagraphs (A) and (B) thereof, and

“(II) the limitation under paragraph (1) shall be the net income tax (as defined in paragraph (1) without regard to subclause (I) of this clause) reduced by the credit allowed under subsection (a) for the taxable year (other than the applicable low-income housing credits).

“(B) APPLICABLE LOW-INCOME HOUSING CREDITS.—For purposes of this subpart—

“(i) IN GENERAL.—The term ‘applicable low-income housing credit’ means the credit determined under section 42 for a taxable year ending after December 31, 2008, and beginning before January 1, 2011 (including carryforwards of such credit to such years) with respect to which the taxpayer elects the application of this subparagraph, and to the extent provided in subparagraph (D).

“(ii) ELIGIBLE TAXPAYERS.—Clause (i) shall not apply in the case of any taxpayer which is a government-sponsored enterprise (as defined in section 1004(f) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989).

“(C) ELECTION.—

“(i) IN GENERAL.—An election under this subparagraph may be made only with respect to 1 taxable year of the taxpayer.

“(ii) MANNER OF ELECTION.—Any election under this subparagraph shall be made in such manner as may be prescribed by the Secretary, and shall be made by the due date (including extensions of time) for filing the return (or any amendment thereto) for the taxpayer’s last taxable year beginning in 2010. Any such election, once made, shall be irrevocable.

“(D) INVESTMENTS IN NEW SMALL BUSINESS PROJECTS.—

“(i) IN GENERAL.—Subparagraph (B) shall apply to credits under section 42 for a taxable year only—

“(I) if the taxpayer has, during the applicable period, entered into 1 or more binding commitments to invest equity with respect to investments in 1 or more future qualified small business projects (which are binding on the taxpayer and all successors in interest), directly or through a fund organized for the purpose of making such investments, which specify the dollar amount of each such commitment, and

“(II) to the extent such credits do not exceed the dollar amount of such investment commitments.

“(ii) APPLICABLE PERIOD.—For purposes of this subparagraph, the applicable period is the period beginning on June 1, 2010, and ending on the date which is 9 months after the date of the enactment of the Creating Small Business Jobs Act of 2010.

“(iii) QUALIFIED SMALL BUSINESS PROJECT.—For purposes of this subparagraph, the term ‘qualified small business project’ means a low-income housing project—

“(I) the eligible basis of which (as determined under section 42(d)) does not exceed \$50,000,000,

“(II) the credit period of which begins after December 31, 2009,

“(III) for which the taxpayer has acquired ownership, and has contributed capital in an amount which is not less than 20 percent of the total amount of capital the taxpayer has

committed to contribute, not later than December 31, 2011, and

“(IV) which has received an allocation of low-income housing credits under section 42 from a State housing credit agency not later than December 31, 2011.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2008, and to carrybacks of credits from such taxable years.

**SEC. \_\_\_\_ . FIVE-YEAR CARRYBACK OF LOW-INCOME HOUSING CREDIT.**

(a) IN GENERAL.—Subsection (a) of section 39 of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new paragraph:

“(5) 5-YEAR CARRYBACK FOR APPLICABLE LOW-INCOME HOUSING CREDITS.—Notwithstanding subsection (d), in the case of applicable low-income housing credits (within the meaning of section 38(c)(6)(B)), paragraph (1) shall be applied by substituting ‘each of the 5 taxable years’ for ‘the taxable year’ in subparagraph (A) thereof.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 39(a)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting “or the applicable low-income housing credits” after “credit”.

(2) Section 39(a)(3)(A) of such Code, as amended by this Act, is amended by striking “credit” or the eligible small business credits or the applicable low-income housing credits” and inserting “credit”, the eligible small business credits, or the applicable low-income housing credits”.

(3) Subparagraph (A) of section 39(a)(4) of the Internal Revenue Code of 1986, as added by this Act, is amended by inserting “paragraph (5) and” after “Notwithstanding”.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) and subsection (b)(1) shall apply to credits determined in taxable years beginning after December 31, 2008, and to carrybacks of credits from such taxable years.

(2) CONFORMING AMENDMENT.—The amendments made by paragraphs (2) and (3) of subsection (b) shall apply to credits determined in taxable years beginning after December 31, 2009.

**SA 4412.** Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . CLARIFICATION OF TREATMENT OF SALES OR EXCHANGES OF WETLAND MITIGATION CREDITS AS LONG-TERM CAPITAL GAIN OR LOSS.**

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 1257 the following new section:

**“SEC. 1257A. GAINS OR LOSSES FROM SALES OR EXCHANGES OF WETLANDS MITIGATION CREDITS.**

“(a) GENERAL RULE.—Gain or loss attributable to the sale or exchange of a mitigation bank credit by the sponsor of the mitigation bank who earned such credit shall be considered the sale or exchange of a capital asset held for more than 1 year.

“(b) DEFINITIONS.—For purposes of this section, the terms ‘mitigation bank’ and ‘mitigation bank credit’ have the respective meanings given such terms by part 332 of title 33 of the Code of Federal Regulations.”.

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter P of chapter 1 of such Code is amended by inserting after the item relating to section 1257 the following new item:

“Sec. 1257A. Gains or losses from sales or exchanges of wetlands mitigation credits.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to sales or exchanges of mitigation bank credits occurring before, on, or after the date of enactment of this Act.

**SEC. \_\_\_\_ . EXEMPTION OF WETLAND MITIGATION CREDIT SALES FROM FIRPTA.**

(a) IN GENERAL.—Section 897(c)(6) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(D) EXEMPTION OF WETLAND MITIGATION CREDIT SALES.—The term ‘United States real property interest’ does not include any mitigation bank credit (as defined in part 332 of title 33 of the Code of Federal Regulations.”.

(b) CONFORMING AMENDMENT.—Section 897(c)(1)(A) of such Code is amended by inserting “and paragraph (6)(C)” after “subparagraph (B)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to sales or exchanges of mitigation bank credits occurring before, on, or after the date of enactment of this Act.

**SA 4413.** Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . EXTENSION OF REQUIREMENT FOR REPORTS ON ACQUISITIONS OF ARTICLES, MATERIALS, AND SUPPLIES MANUFACTURED OUTSIDE THE UNITED STATES.**

Section 2(b)(1) of the Buy American Act (41 U.S.C. 10a(b)(1)) is amended by striking “2011” and inserting “2016”.

**SA 4414.** Mr. CARDIN submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . SURETY BONDS.**

Section 508(f) of division A of the American Recovery and Reinvestment Act of 2009 (15 U.S.C. 694a note) is repealed.

**SA 4415.** Mr. CARDIN submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . SMALL BUSINESS TRAINING.**

Section 37(f)(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 433(f)(3)) is amended—

(1) by striking “For each career path,” and inserting the following:

“(A) IN GENERAL.—For each career path,”; and

(2) by adding at the end the following:

“(B) CERTIFICATION PROGRAM.—

“(i) IN GENERAL.—The Administrator shall establish a certification program for acquisition personnel. The certification program shall be carried out through the Federal Acquisition Institute.

“(ii) SMALL BUSINESS TRAINING.—The certification program under this subparagraph shall include training regarding—

“(I) small business government contracting set-aside programs, including—

“(aa) programs for HUBZone small business concerns, small business concerns owned and controlled by service-disabled veterans, and small business concerns owned and controlled by women (as those terms are defined in section 3 of the Small Business Act (15 U.S.C. 632));

“(bb) programs for socially and economically disadvantaged small business concerns (as defined in section 8(a) of the Small Business Act (15 U.S.C. 637(a))); and

“(cc) contracting under the Small Business Innovation Research Program and the Small Business Technology Transfer Program (as those terms are defined in section 9(e) of the Small Business Act (15 U.S.C. 638(e)));

“(II) determining small business size standards and using North American Industry Classification System codes in relation to contracting set-aside programs and subcontracting goals; and

“(III) any other issue relating to contracting with small business concerns (as defined under section 3 of the Small Business Act (15 U.S.C. 632)) determined appropriate by the Administrator.”.

**SA 4416.** Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

**SEC. \_\_\_\_ . EXTENSION OF NATIONAL FLOOD INSURANCE PROGRAM.**

(a) PROGRAM EXTENSION.—Section 1319 of the National Flood Insurance Act of 1968 (42 U.S.C. 4026) is amended by striking “September 30, 2008” and inserting “September 30, 2010”.

(b) FINANCING.—Section 1309(a) of such Act (42 U.S.C. 4016(a)) is amended—

(1) by striking “September 30, 2008” and inserting “September 30, 2010”; and

(2) by striking “\$20,775,000,000” and inserting “\$20,725,000,000”.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall be considered to have taken effect on May 31, 2010.

(d) BUDGET COMPLIANCE.—The budgetary effects of this section, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this section, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

**SA 4417.** Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part IV of subtitle A of title II, insert the following:

**SEC. \_\_\_\_ . WORK OPPORTUNITY CREDIT FOR CERTAIN RECENTLY DISCHARGED VETERANS.**

(a) IN GENERAL.—Subparagraph (A) of section 51(d)(3) of the Internal Revenue Code of 1986 is amended by striking “means any veteran” and all that follows and inserting “means any recently discharged veteran and any disadvantaged veteran.”

(b) RECENTLY DISCHARGED VETERAN; DISADVANTAGED VETERAN.—Paragraph (3) of section 51(d) of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subparagraphs (B) and (C) as subparagraphs (D) and (E), respectively, and

(2) by inserting after subparagraph (A) the following new subparagraphs:

“(B) RECENTLY DISCHARGED VETERAN.—For purposes of subparagraph (A), the term ‘recently discharged veteran’ means—

“(i) any individual who has served on active duty (other than active duty for training) in the Armed Forces of the United States for more than 180 total days (whether consecutive or not),

“(ii) any individual who has been discharged or released from active duty in the Armed Forces of the United States for a service-connected disability, and

“(iii) any member of the National Guard who has served for more than 180 total days (whether consecutive or not) of—

“(I) active duty (within the meaning of title 32, United States Code) other than for training,

“(II) full-time National Guard duty (within the meaning of such title 32) other than for training,

“(III) duty, other than inactive duty or duty for training, in State status (within the meaning of such title 32), or

“(IV) any combination of duty described in subclause (I), (II), or (III),

who has been discharged or released from such duty at any time during the 5-year period ending on the hiring date. Such term shall not include any unemployed veteran who begins work for the employer before the date of the enactment of the Creating Small Business Jobs Act of 2010.

“(C) DISADVANTAGED VETERAN.—For purposes of subparagraph (A), the term ‘disadvantaged veteran’ means any veteran who is certified by the designated local agency as—

“(i) being a member of a family receiving assistance under a supplemental nutrition assistance program under the Food and Nutrition Act of 2008 for at least a 3-month period ending during the 12-month period ending on the hiring date, or

“(ii) entitled to compensation for a service-connected disability, and—

“(I) having a hiring date which is not more than 1 year after having been discharged or released from active duty in the Armed Forces of the United States, or

“(II) having aggregate periods of unemployment during the 1-year period ending on the hiring date which equal or exceed 6 months.”.

(c) CONFORMING AMENDMENTS.—Section 51 of the Internal Revenue Code of 1986 is amended—

(1) by striking “(d)(3)(A)(ii)” in paragraph (3) of subsection (b) and inserting “(d)(3)(C)(ii)”.

(2) by striking “For purposes of subparagraph (A)” each place it appears in subparagraphs (D) and (E) of subsection (d)(3), as redesignated by subsection (b), and inserting “For purposes of subparagraph (C)”.

(3) by adding at the end of paragraph (13) of subsection (d) the following new subparagraph:

“(D) PRE-SCREENING OF RECENTLY DISCHARGED VETERANS.—

“(i) IN GENERAL.—For purposes of subparagraph (A), the term ‘pre-screening notice’ shall include any documentation provided to an individual by the Department of Defense or the National Guard upon release or discharge from the Armed Forces or from service in the National Guard which includes information sufficient to establish that such individual is a recently discharged veteran.

“(ii) ADDITIONAL CERTIFICATION NOT REQUIRED.—Subparagraph (A) shall be applied without regard to clause (ii)(II) thereof in the case of a recently discharged veteran who provides to the employer documentation described in clause (i).”.

(4) by inserting “who begins work for the employer after December 31, 2008, and before the date of the enactment of the Creating Small Business Jobs Act of 2010,” after “Any unemployed veteran” in subparagraph (A) of subsection (d)(14), and

(5) by inserting a comma after “during 2009 or 2010” in subparagraph (A) of subsection (d)(14).

(d) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to individuals whose hiring date (as defined in section 51(d)(11) of the Internal Revenue Code of 1986) is on or after the date of the enactment of this Act.

(e) DEPARTMENT OF DEFENSE DOCUMENTATION.—

(1) IN GENERAL.—The Department of Defense and the National Guard, as applicable, shall provide—

(A) to each individual who is discharged or released from active duty in the Armed Forces of the United States on or after the date of the enactment of this Act; and

(B) to each member of the National Guard who is released from duty described in section 51(d)(3)(B)(iii) of the Internal Revenue Code of 1986 (as added by this Act) on or after the date of the enactment of this Act;

in addition to the documentation which, without regard to this subsection, is provided at the time of such discharge or release, documentation described in paragraph (4). If the documentation which is provided without regard to this subsection at the time

of the discharge or release described in the preceding sentence does not include information sufficient to satisfy the requirements of section 51(d)(13)(D)(i) of the Internal Revenue Code of 1986 (as added by this Act), the Department of Defense or the National Guard, whichever is applicable, shall provide additional documentation which includes such information.

(2) INFORMATIONAL BRIEFING.—In the case of an individual who is discharged or released from duty described in subparagraph (A) or (B) of paragraph (1) after the date of the enactment of this Act, the Department of Defense or the National Guard, whichever is applicable, shall provide a briefing to such individual before or at the time of such discharge or release to inform such individual of the credit for employment of recently discharged veterans under section 51 of the Internal Revenue Code of 1986.

(3) REQUEST FOR DOCUMENTATION.—The Department of Defense or the National Guard, whichever is applicable, shall provide upon request the documentation described in paragraph (1) to any individual who is discharged or released from duty described in subparagraph (A) or (B) of paragraph (1) during the 5-year period preceding and including the date of the enactment of this Act.

(4) INSTRUCTIONS FOR USE OF WORK OPPORTUNITY CREDIT.—The documentation described in this paragraph is a document which includes—

(A) instructions for an individual to ensure treatment as a recently discharged veteran for purposes of section 51(d)(3)(B) of the Internal Revenue Code of 1986 (as added by this Act),

(B) instructions for employers detailing the use of the credit under such section 51 with respect to such individual, and

(C) the dates during which the credit under such section 51 is available.

Such instructions shall be developed in collaboration with the Internal Revenue Service.

**SA 4418.** Mr. WHITEHOUSE (for himself, Mr. BENNET, Mr. BROWN of Massachusetts, Mr. BROWN of Ohio, Mr. CORKER, Mr. DURBIN, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. KAUFMAN, Mr. LEAHY, Mr. LEMIEUX, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. NELSON of Florida, Mr. PRYOR, Mr. SCHUMER, Mr. SESSIONS, Mr. SPECTER, and Mr. WARNER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page 236, between lines 11 and 12, insert the following:

**TITLE IV—REGISTRATION OF AGENTS OF FOREIGN MANUFACTURERS AUTHORIZED TO ACCEPT SERVICE OF PROCESS**  
**SEC. 4001. FINDINGS.**

Congress makes the following findings:

(1) Each year, many people in the United States are injured by defective products manufactured or produced by foreign entities and imported into the United States.

(2) Both consumers and businesses in the United States have been harmed by injuries

to people in the United States caused by defective products manufactured or produced by foreign entities.

(3) People in the United States injured by defective products manufactured or produced by foreign entities often have difficulty recovering damages from the foreign manufacturers and producers responsible for such injuries.

(4) The difficulty described in paragraph (3) is caused by the obstacles in bringing a foreign manufacturer or producer into a United States court and subsequently enforcing a judgment against that manufacturer or producer.

(5) Obstacles to holding a responsible foreign manufacturer or producer liable for an injury to a person in the United States undermine the purpose of the tort laws of the United States.

(6) The difficulty of applying the tort laws of the United States to foreign manufacturers and producers puts United States manufacturers and producers at a competitive disadvantage because United States manufacturers and producers must—

(A) abide by common law and statutory safety standards; and

(B) invest substantial resources to ensure that they do so.

(7) Foreign manufacturers and producers can avoid the expenses necessary to make their products safe if they know that they will not be held liable for violations of United States product safety laws.

(8) Businesses in the United States undertake numerous commercial relationships with foreign manufacturers, exposing the businesses to additional tort liability when foreign manufacturers or producers evade United States courts.

(9) Businesses in the United States engaged in commercial relationships with foreign manufacturers or producers often cannot vindicate their contractual rights if such manufacturers or producers seek to avoid responsibility in United States courts.

(10) One of the major obstacles facing businesses and individuals in the United States who are injured and who seek compensation for economic or personal injuries caused by foreign manufacturers and producers is the challenge of serving process on such manufacturers and producers.

(11) An individual or business injured in the United States by a foreign company must rely on a foreign government to serve process when that company is located in a country that is a signatory to the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters done at The Hague November 15, 1965 (20 UST 361; TIAS 6638).

(12) An injured person in the United States must rely on the cumbersome system of letters rogatory to effect service in a country that did not sign the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. These countries do not have an enforceable obligation to serve process as requested.

(13) The procedures described in paragraphs (11) and (12) add time and expense to litigation in the United States, thereby discouraging or frustrating meritorious lawsuits brought by persons injured in the United States against foreign manufacturers and producers.

(14) Foreign manufacturers and producers often seek to avoid judicial consideration of their actions by asserting that United States courts lack personal jurisdiction over them.

(15) The due process clauses of the fifth amendment to and section 1 of the fourteenth amendment to the Constitution govern United States courts' personal jurisdiction over defendants.

(16) The due process clauses described in paragraph (15) are satisfied when a defendant consents to the jurisdiction of a court.

(17) United States markets present many opportunities for foreign manufacturers.

(18) In choosing to export products to the United States, a foreign manufacturer or producer subjects itself to the laws of the United States. Such a foreign manufacturer or producer thereby acknowledges that it is subject to the personal jurisdiction of the State and Federal courts in at least one State.

#### SEC. 4002. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) foreign manufacturers and producers whose products are sold in the United States should not be able to avoid liability simply because of difficulties relating to serving process upon them;

(2) to avoid such lack of accountability, foreign manufacturers and producers of foreign products distributed in the United States should be required, by regulation, to register an agent in the United States who is authorized to accept service of process for such manufacturer or producer;

(3) it is unfair to United States consumers and businesses that foreign manufacturers and producers often seek to avoid judicial consideration of their actions by asserting that United States courts lack personal jurisdiction over them;

(4) those who benefit from exporting products to United States markets should expect to be subject to the jurisdiction of at least one court within the United States;

(5) exporting products to the United States should be understood as consent to the accountability that the legal system of the United States ensures for all manufacturers and producers, foreign, and domestic;

(6) exporters recognize the scope of opportunities presented to them by United States markets but also should recognize that products imported into the United States must satisfy Federal and State safety standards established by statute, regulation, and common law;

(7) foreign manufacturers should recognize that they are responsible for the contracts they enter into with United States companies;

(8) foreign manufacturers should act responsibly and recognize that they operate within the constraints of the United States legal system when they export products to the United States;

(9) United States laws and the laws of United States trading partners should not put burdens on foreign manufacturers and producers that do not apply to domestic companies;

(10) it is fair to ensure that foreign manufacturers, whose products are distributed in commerce in the United States, are subject to the jurisdiction of State and Federal courts in at least one State because all United States manufacturers are subject to the jurisdiction of the State and Federal courts in at least one State; and

(11) it should be understood that, by registering an agent for service of process in the United States, the foreign manufacturer or producer acknowledges consent to the jurisdiction of the State in which the registered agent is located.

#### SEC. 4003. DEFINITIONS.

In this title:

(1) **APPLICABLE AGENCY.**—The term “applicable agency” means, with respect to covered products—

(A) described in subparagraphs (A) and (B) of paragraph (4), the Food and Drug Administration;

(B) described in paragraph (4)(C), the Consumer Product Safety Commission;

(C) described in subparagraphs (D) and (E) of paragraph (4), the Environmental Protection Agency; and

(D) described in subparagraph (F) of paragraph (4)—

(i) the Food and Drug Administration, if the item is intended to be a component part of a product described in subparagraphs (A) and (B) of paragraph (4);

(ii) the Consumer Product Safety Commission, if the item is intended to be a component part of a product described in paragraph (4)(C); and

(iii) the Environmental Protection Agency, if the item is intended to be a component part of a product described in subparagraphs (D) and (E) of paragraph (4).

(2) **COMMERCE.**—The term “commerce” means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside of the State; or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(3) **COMMISSIONER OF U.S. CUSTOMS AND BORDER PROTECTION.**—The term “Commissioner of U.S. Customs and Border Protection” means the Commissioner responsible for U.S. Customs and Border Protection of the Department of Homeland Security.

(4) **COVERED PRODUCT.**—The term “covered product” means any of the following:

(A) Drugs, devices, and cosmetics, as such terms are defined in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(B) A biological product, as such term is defined in section 351(i) of the Public Health Service Act (42 U.S.C. 262(i)).

(C) A consumer product, as such term is used in section 3(a) of the Consumer Product Safety Act (15 U.S.C. 2052).

(D) A chemical substance or new chemical substance, as such terms are defined in section 3 of the Toxic Substances Control Act (15 U.S.C. 2602).

(E) A pesticide, as such term is defined in section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136).

(F) An item intended to be a component part of a product described in subparagraph (A), (B), (C), (D), or (E) but is not yet a component part of such product.

(5) **DISTRIBUTE IN COMMERCE.**—The term “distribute in commerce” means to sell in commerce, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce.

#### SEC. 4004. REGISTRATION OF AGENTS OF FOREIGN MANUFACTURERS AUTHORIZED TO ACCEPT SERVICE OF PROCESS IN THE UNITED STATES.

(a) **REGISTRATION.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act and except as otherwise provided in this subsection, the head of each applicable agency shall require foreign manufacturers and producers of covered products distributed in commerce to establish a registered agent in the United States who is authorized to accept service of process on behalf of such manufacturer or producer—

(A) for the purpose of any civil or regulatory proceeding in State or Federal court relating—

(i) to a covered product; and

(2) to—

(I) commerce in the United States;

(II) an injury or damage suffered in the United States; or

(III) conduct within the United States; and

(B) if such service is made in accord with the State or Federal rules for service of process in the State of the civil or regulatory proceeding.

(2) **LOCATION.**—The head of each applicable agency shall require that an agent of a foreign manufacturer or producer registered under this subsection with respect to a covered product be located in a State with a substantial connection to the importation, distribution, or sale of the covered product.

(3) **MINIMUM SIZE.**—This subsection shall only apply to foreign manufacturers and producers that manufacture or produce covered products in excess of a minimum value or quantity the head of the applicable agency shall prescribe by rule for purposes of this section. Such rules may include different minimum values or quantities for different subcategories of covered products prescribed by the head of the applicable agency for purposes of this section.

(b) **REGISTRY OF AGENTS OF FOREIGN MANUFACTURERS.**—

(1) **IN GENERAL.**—The Secretary of Commerce shall, in cooperation with each head of an applicable agency, establish and keep up to date a registry of agents registered under subsection (a).

(2) **AVAILABILITY.**—The Secretary of Commerce shall make the registry established under paragraph (1) available—

(A) to the public through the Internet website of the Department of Commerce; and

(B) to the Commissioner of U.S. Customs and Border Protection.

(c) **CONSENT TO JURISDICTION.**—A foreign manufacturer or producer of covered products that registers an agent under this section thereby consents to the personal jurisdiction of the State or Federal courts of the State in which the registered agent is located for the purpose of any civil or regulatory proceeding relating—

(1) to a covered product; and

(2) to—

(A) commerce in the United States;

(B) an injury or damage suffered in the United States; or

(C) conduct within the United States.

(d) **DECLARATIONS.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, any person importing a covered product manufactured outside the United States shall provide a declaration to U.S. Customs and Border Protection that—

(A) the person has made appropriate inquiry, including seeking appropriate documentation from the exporter of the covered product and consulting the registry of agents of foreign manufacturers described in subsection (b); and

(B) to the best of the person's knowledge, with respect to each importation of a covered product, the foreign manufacturer or producer of the product has established a registered agent in the United States as required under subsection (a).

(2) **PENALTIES.**—Any person who fails to provide a declaration required under paragraph (1), or files a false declaration, shall be subject to any applicable civil or criminal penalty, including seizure and forfeiture, that may be imposed under the customs laws of the United States or title 18, United States Code, with respect to the importation of a covered product.

(e) **REGULATIONS.**—Not later than the date described in subsection (a)(1), the Secretary of Commerce, the Commissioner of U.S. Customs and Border Protection, and each head of an applicable agency shall prescribe regulations to carry out this section, including the establishment of minimum values and quantities under subsection (a)(3).

**SEC. 4005. STUDY ON REGISTRATION OF AGENTS OF FOREIGN FOOD PRODUCERS AUTHORIZED TO ACCEPT SERVICE OF PROCESS IN THE UNITED STATES.**

Not later than 1 year after the date of the enactment of this Act, the Secretary of Agriculture and the Commissioner of Food and Drugs shall jointly—

(1) complete a study on the feasibility and advisability of requiring foreign producers of food distributed in commerce to establish a registered agent in the United States who is authorized to accept service of process on behalf of such producers for the purpose of all civil and regulatory actions in State and Federal courts; and

(2) submit to Congress a report on the findings of the Secretary with respect to such study.

**SEC. 4006. STUDY ON REGISTRATION OF AGENTS OF FOREIGN MANUFACTURERS AND PRODUCERS OF COMPONENT PARTS WITHIN COVERED PRODUCTS.**

Not later than 1 year after the date of the enactment of this Act, the head of each applicable agency shall—

(1) complete a study on determining feasible and advisable methods of requiring manufacturers or producers of component parts within covered products manufactured or produced outside the United States and distributed in commerce to establish registered agents in the United States who are authorized to accept service of process on behalf of such manufacturers or producers for the purpose of all civil and regulatory actions in State and Federal courts; and

(2) submit to Congress a report on the findings of the head of the applicable agency with respect to the study.

**SEC. 4007. RELATIONSHIP WITH OTHER LAWS.**

Nothing in this title shall affect the authority of any State to establish or continue in effect a provision of State law relating to service of process or personal jurisdiction, except to the extent that such provision of law is inconsistent with the provisions of this title, and then only to the extent of such inconsistency.

**SA 4419.** Mr. BURRIS submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part IV of subtitle C of title I, add the following:

**SEC. 1348. SECTION 8(a) IMPROVEMENTS.**

(a) PROGRAMS FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONCERNS.—

(1) NET WORTH THRESHOLD.—

(A) IN GENERAL.—Section 8(a)(6)(A) of the Small Business Act (15 U.S.C. 637(a)(6)(A)) is amended—

(i) by inserting “(i)” after “(6)(A)”;

(ii) by striking “In determining the degree of diminished credit” and inserting the following:

“(i)(I) In determining the degree of diminished credit”;

(iii) by striking “In determining the economic disadvantage” and inserting the following:

“(iii) In determining the economic disadvantage”;

(iv) by inserting after clause (ii)(I), as so designated by this paragraph, the following:

“(II)(aa) Not later than 1 year after the date of enactment of the Section 8(a) Improvements Act of 2010, the Administrator shall—

“(AA) assign each North American Industry Classification System industry code to a category described in item (cc); and

“(BB) for each category described in item (cc), establish a maximum net worth for the socially disadvantaged individuals who own or control small business concerns in the category that participate in the program under this subsection.

“(bb) The maximum net worth for a category described in item (cc) shall be not less than \$2,500,000.

“(cc) The categories described in this item are—

“(AA) manufacturing;

“(BB) construction;

“(CC) professional services; and

“(DD) general services.

“(III) The Administrator shall establish procedures that—

“(aa) account for inflationary adjustments to, and include a reasonable assumption of, the average income and net worth of the owners of business concerns that are dominant in the field of operation of the business concern; and

“(bb) require an annual inflationary adjustment to the average income and maximum net worth requirements under this clause.

“(IV) In determining the assets and net worth of a socially disadvantaged individual under this subparagraph, the Administrator shall not consider any assets of the individual that are held in a qualified retirement plan, as that term is defined in section 4974(c) of the Internal Revenue Code of 1986.”.

(B) TEMPORARY INFLATIONARY ADJUSTMENT.—

(i) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Administrator shall modify the net worth limitations established by the Administrator for purposes of the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a)) by adjusting the amount of the net worth limitations for inflation during the period beginning on the date on which the Administrator established the net worth limitations and the date of enactment of this Act.

(ii) TERMINATION.—The Administrator shall apply the net worth limitations established under clause (i) until the effective date of the net worth limitations established by the Administrator under clause (ii)(II) of section 8(a)(6)(A) of the Small Business Act (15 U.S.C. 637(a)(6)(A)), as added by this paragraph.

(2) TRANSITION PERIOD.—Section 7(j)(15) of the Small Business Act (15 U.S.C. 636(j)(15)) is amended—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by striking “Subject to” and inserting “(A) Except as provided in subparagraph (B), and subject to”;

(C) by adding at the end the following:

“(B)(i) A small business concern may receive developmental assistance under the Program and contracts under section 8(a) during the 3-year period beginning on the date on which the small business concern graduates—

“(I) because the small business concern has participated in the Program for the total period authorized under subparagraph (A); or

“(II) under section 8(a)(6)(C)(ii), because the socially disadvantaged individuals who own or control the small business concern have a net worth that is more than the max-

imum net worth established by the Administrator.

“(ii) After the end of the 3-year period described in clause (i), a small business concern described in clause (i)—

“(I) may not receive developmental assistance under the Program or contracts under section 8(a); and

“(II) may continue to perform and receive payment under a contract received by the small business concern under section 8(a) before the end of the period, under the terms of the contract.”.

(3) GAO STUDY.—Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) is amended by adding at the end the following:

“(22) REVIEW OF EFFECTIVENESS.—

“(A) GAO STUDY.—Not later than 5 years after the date of enactment of this paragraph, and every 5 years thereafter, the Comptroller General of the United States shall—

“(i) conduct an evaluation of the effectiveness of the program under this subsection, including an examination of—

“(I) the number and size of contracts applied for, as compared to the number received by, small business concerns after successfully completing the program;

“(II) the percentage of small business concerns that continue to operate during the 3-year period beginning on the date on which the small business concerns successfully complete the program;

“(III) whether the business of small business concerns increases during the 3-year period beginning on the date on which the small business concerns successfully complete the program; and

“(IV) the number of training sessions offered under the program; and

“(ii) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding each evaluation under clause (i).

“(B) SBA REPORT.—Not later than 1 year after the date of enactment of this paragraph, and every year thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report evaluating the program under this section, including an assessment of—

“(i) the regulations promulgated to carry out the program;

“(ii) online training under the program; and

“(iii) whether the structure of the program is conducive to business development.”.

(b) SURETY BOND PILOT PROGRAM.—

(1) DEFINITIONS.—In this subsection—

(A) the terms “bid bond”, “payment bond”, “performance bond”, and “surety” have the meanings given those terms in section 410 of the Small Business Investment Act of 1958 (15 U.S.C. 694a);

(B) the term “Board” means the pilot program advisory board established under paragraph (4)(A);

(C) the term “eligible small business concern” means a socially and economically disadvantaged small business concern that is participating in the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a));

(D) the term “Fund” means the Small Business Surety Bond Pilot Program Fund established under paragraph (5)(A);

(E) the term “graduated” has the meaning given that term in section 7(j)(10)(H) of the Small Business Act (15 U.S.C. 636(j)(10)(H));

(F) the term “pilot program” means the surety bond pilot program established under paragraph (2)(A); and

(G) the term “socially and economically disadvantaged small business concern” has

the meaning given that term in section 8(a) of the Small Business Act (15 U.S.C. 637(a)).

(2) PROGRAM.—

(A) IN GENERAL.—The Administrator shall establish a surety bond pilot program under which the Administrator may guarantee any surety against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by an eligible small business concern.

(B) GUARANTEE PERCENTAGE.—A guarantee under the pilot program shall obligate the Administration to pay to a surety 90 percent of the loss incurred and paid by the surety.

(C) APPLICATION.—An eligible small business concern desiring a guarantee under the pilot program shall submit an application at such time, in such manner, and accompanied by such information as the Administrator may require.

(D) REVIEW.—A surety desiring a guarantee under the pilot program against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto by an eligible small business concern shall—

(i) submit to the Administrator a report evaluating whether the eligible small business concern meets such criteria as the Administrator may establish relating to whether a bond should be issued to the eligible small business concern; and

(ii) if the Administrator does not guarantee the surety against loss, submit an update of the report described in clause (i) every 6 months.

(3) TECHNICAL ASSISTANCE AND EDUCATIONAL TRAINING.—

(A) IN GENERAL.—The Administrator shall provide technical assistance and educational training to an eligible small business concern participating in the pilot program or desiring to participate in the pilot program for a period of not less than 3 years, to promote the growth of the eligible small business concern and assist the eligible small business concern in promoting job development.

(B) TOPICS.—

(i) TECHNICAL ASSISTANCE.—The technical assistance under subparagraph (A) shall include assistance relating to—

- (I) scheduling of employees;
- (II) cash flow analysis;
- (III) change orders;
- (IV) requisition preparation;
- (V) submitting proposals;
- (VI) dispute resolution; and
- (VII) contract management.

(ii) EDUCATIONAL TRAINING.—The educational training under subparagraph (A) shall include training regarding—

- (I) accounting;
- (II) legal issues;
- (III) infrastructure;
- (IV) human resources;
- (V) estimating costs;
- (VI) scheduling; and
- (VII) any other area the Administrator determines is a key area for which training is needed for eligible small business concerns.

(4) PANEL.—

(A) ESTABLISHMENT.—The Administrator shall establish a pilot program advisory board to evaluate and make recommendations regarding the pilot program.

(B) MEMBERSHIP.—The Board shall be composed of 5 members—

- (i) who shall be appointed by the Administrator;
  - (ii) not less than 2 of whom shall have graduated from the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a)); and
  - (iii) not more than 1 of whom may be an officer or employee of the Administration.
- (C) DUTIES.—The Board shall—

(i) evaluate and make recommendations to the Administrator regarding the effectiveness of the pilot program;

(ii) make recommendations to the Administrator regarding performance measures to evaluate eligible small business concerns applying for a guarantee under the pilot program; and

(iii) not later than 90 days after the date on which all members of the Board are appointed, and every year thereafter until the authority to carry out the pilot program terminates under paragraph (6), submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the activities of the Board.

(5) FUND.—

(A) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a revolving fund to be known as the “Small Business Surety Bond Pilot Program Fund”, to be administered by the Administrator.

(B) AVAILABILITY.—Amounts in the Fund shall be available without fiscal year limitation or further appropriation by Congress.

(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund \$20,000,000.

(D) RESCISSION.—Effective on the day after the date on which the term of all guarantees made under the pilot program have ended, all amounts in the Fund are rescinded.

(6) TERMINATION.—The Administrator may not guarantee a surety against loss under the pilot program on or after the date that is 7 years after the date the date on which the Administrator makes the first guarantee under the pilot program.

**SA 4420.** Mr. DODD (for himself, Mr. COCHRAN, and Ms. MIKULSKI) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page \_\_, line \_\_, insert the following:

**SEC. \_\_. EXCLUSION FROM GROSS INCOME OF AMERICORPS EDUCATIONAL AWARDS.**

(a) IN GENERAL.—Section 117 of the Internal Revenue Code of 1986 (relating to qualified scholarships) is amended by adding at the end the following:

“(e) AMERICORPS EDUCATIONAL AWARDS.—Gross income shall not include any national service educational award described in subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of enactment of this Act.

**SA 4421.** Mr. CASEY submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institu-

tions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_. STUDY BY COMPTROLLER GENERAL.**

(a) DEFINITIONS.—In this Act—

(1) the terms “HUBZone small business concern”, “small business concern”, “small business concern owned and controlled by service-disabled veterans”, and “small business concern owned and controlled by women” have the meaning given those terms under section 3 of the Small Business Act (15 U.S.C. 632);

(2) the term “minority business enterprise” means a small business concern that is unconditionally owned, controlled, and managed by an individual who is—

- (A) a Black American;
- (B) a Hispanic American;
- (C) a Native American, including an American Indian, Eskimo, Aleut, or Native Hawaiian;

(D) an Asian Pacific American, including an individual having origins in any of the original peoples of Myanmar, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China (including Hong Kong), Taiwan, Laos, Cambodia (Kampuchea), Vietnam, North Korea, South Korea, the Philippines, a United States Trust Territory of the Pacific Islands (including the Republic of Palau), the Republic of the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, or Nauru;

(E) a Subcontinent Asian American, including an individual having origins in any of the original peoples of India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands, or Nepal; or

(F) a member of another minority group, as determined by the Administrator of the Small Business Administration;

(3) the term “qualified HUBZone small business concern” means a HUBZone small business concern that is qualified under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)); and

(4) the term “small business concern owned and controlled by socially and economically disadvantaged individuals” has the meaning given that term in section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C)).

(b) STUDY REQUIRED.—The Comptroller General of the United States shall carry out a study on the participation of small business concerns owned and controlled by socially and economically disadvantaged individuals, qualified HUBZone small business concerns, minority business enterprises, and small business concerns owned and controlled by women in procurement contracts awarded using funds made available under division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 116), which shall include—

(1) determining the percentage of all contracts awarded by Federal agencies and departments using funds made available under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) that were awarded to—

- (A) small business concerns owned and controlled by socially and economically disadvantaged individuals;
- (B) minority business enterprises;
- (C) small business concerns owned and controlled by women; and
- (D) qualified HUBZone small business concerns; and



(2) evaluating whether Federal agencies and departments have met the Government-wide goals established under section 15(g) of the Small Business Act (15 U.S.C. 644(g)) for procurement contracts awarded to small business concerns, small business concerns owned and controlled by service-disabled veterans, qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women, with respect to procurement contracts awarded using funds made available under division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 116).

(c) REPORT.—Not later than 120 days after the date of enactment of this Act, the Comptroller General shall submit to Congress a report on the results of the study required under subsection (b).

**SA 4422.** Mr. TESTER submitted an amendment intended to be proposed by him to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

On page \_\_, between lines \_\_ and \_\_, insert the following:

**SEC. \_\_. GAO REPORT ON POTENTIAL BARRIERS TO ENTRY IN FEDERAL CONTRACTING.**

(a) COVERED AGENCY.—In this section, the term “covered agency” means—

- (1) the General Services Administration;
- (2) the Army Corps of Engineers; and
- (3) the Department of Homeland Security.

(b) STUDY.—The Comptroller General of the United States shall conduct a study examining selected instances in which covered agencies have entered into contracts using previous experience or past performance under Federal contracts as source selection evaluation criteria.

(c) REPORT.—

(1) IN GENERAL.—Not later than 270 days after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on the study conducted under subsection (b).

(2) CONTENT.—The report required under paragraph (1) shall include the following:

(A) A description of the circumstances under which covered agencies entered into contracts using previous experience or past performance under Federal contracts as source selection evaluation criteria.

(B) A description of the weights assigned to these evaluation factors as compared to all other evaluation factors, including cost.

(C) An assessment of whether the use of previous experience or past performance as evaluation criteria is more or less prevalent depending on the type of item or service the agency acquires.

(D) The views of agency officials, acquisition experts, and affected stakeholders on the benefits and challenges of using previous experience or past performance as evaluation criteria, including the impact on small business concerns.

(3) CONTRACTS COVERED.—The report required under paragraph (1) shall include information on the awarding of contracts using full and open competition and other types of competitive procedures.

**SA 4423.** Mrs. SHAHEEN (for herself and Mr. COCHRAN) submitted an amendment intended to be proposed by her to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IV, insert the following:

**SECTION \_\_. ON-THE-JOB TRAINING.**

(a) SHORT TITLE.—This section may be cited as the “On-the-Job Training Act of 2010”.

(b) TRAINING.—

(1) IN GENERAL.—Subtitle D of title I of the Workforce Investment Act of 1998 is amended by inserting after section 173A (29 U.S.C. 2918a) the following:

**“SEC. 173B. ON-THE-JOB TRAINING.**

“(a) DEFINITION.—In this section, the term ‘federally recognized tribal organization’ means an entity described in section 166(c)(1).

“(b) GRANTS.—From the amount made available under subsection (g), and subject to subsection (d)—

“(1) the Secretary shall make grants on a discretionary basis to local areas, for adult on-the-job training, or dislocated worker on-the-job training, carried out under section 134; and

“(2) using an amount that is not more than 10 percent of the funds made available under subsection (g), the Secretary shall make grants to States, local boards, and federally recognized tribal organizations for developing on-the-job training programs, in consultation with the Secretary.

“(c) APPLICATION.—To be eligible to receive a grant under subsection (b), a State, local board, or federally recognized tribal organization shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. In preparing such an application for a grant under subsection (b)(1), a local board shall consult with the corresponding State.

“(d) REIMBURSEMENT OF WAGE RATES.—Notwithstanding the limitation in section 101(31)(B), in making the grants described in subsection (b)(1) the Secretary may allow for higher levels of reimbursement of wage rates the Secretary determines are appropriate based on factors such as—

“(1) employer size, in order to facilitate the participation of small- and medium-sized employers;

“(2) target populations, in order to enhance job creation for persons with barriers to employment; and

“(3) the number of employees that will participate in the on-the-job training, the wage and benefit levels of the employees (before the training and anticipated on completion of the training), the relationship of the training to the competitiveness of the employer and employees, and the existence of other employer-provided training and advancement opportunities.

“(e) ADMINISTRATION.—The Secretary may use an amount that is not more than 1 percent of the funds made available under subsection (g) for the administration, management, and oversight of the programs, activities, and grants, funded under subsection (b), including the evaluation of, and dissemination of information on lessons learned through, the use of such funds.

“(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect the manner in which subtitle B is implemented, for activities funded through amounts appropriated under section 137.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2011 and each subsequent fiscal year.”.

(2) TABLE OF CONTENTS.—The table of contents in section 1(b) of the Workforce Investment Act of 1998 is amended by inserting after the item relating to section 173A the following:

“Sec. 173B. On-the-job training.”.

**SA 4424.** Mr. WEBB (for himself and Mrs. BOXER) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end, insert the following:

**TITLE IV—TAXPAYER FAIRNESS ACT**

**SEC. 4001. SHORT TITLE.**

This title may be cited as the “Taxpayer Fairness Act”.

**SEC. 4002. FINDINGS.**

Congress finds the following:

(1) During the years 2008 and 2009, the Nation’s largest financial firms received extraordinary and unprecedented assistance from the public.

(2) Such assistance was critical to the success and in many cases the survival of these firms during the year 2009.

(3) High earners at such firms should contribute a portion of any excessive bonuses obtained for the year 2009 to help the Nation reduce the public debt and recover from the recession.

**SEC. 4003. EXCISE TAXES ON EXCESSIVE 2009 BONUSES RECEIVED FROM MAJOR RECIPIENTS OF FEDERAL EMERGENCY ECONOMIC ASSISTANCE.**

(a) IMPOSITION OF TAX.—Chapter 46 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 4999A. EXCESSIVE 2009 BONUSES RECEIVED FROM MAJOR RECIPIENTS OF FEDERAL EMERGENCY ECONOMIC ASSISTANCE.**

“(a) IMPOSITION OF TAX.—There is hereby imposed on any person who receives a covered excessive 2009 bonus a tax equal to 50 percent of the amount of such bonus.

“(b) DEFINITION.—For purposes of this section, the term ‘covered excessive 2009 bonus’ has the meaning given such term by section 280I(b).

“(c) ADMINISTRATIVE PROVISIONS AND SPECIAL RULES.—

“(1) WITHHOLDING.—

“(A) IN GENERAL.—In the case of any covered excessive 2009 bonus which is treated as wages for purposes of section 3402, the amount otherwise required to be deducted and withheld under such section shall be increased by the amount of the tax imposed by this section on such bonus.

“(B) BONUSES PAID BEFORE ENACTMENT.—In the case of any covered excessive 2009 bonus to which subparagraph (A) applies which is

paid before the date of the enactment of this section, no penalty, addition to tax, or interest shall be imposed with respect to any failure to deduct and withhold the tax imposed by this section on such bonus.

“(2) TREATMENT OF TAX.—For purposes of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A.

“(3) NOTICE REQUIREMENTS.—The Secretary shall require each major Federal emergency economic assistance recipient (as defined in section 280I(d)(1)) to notify, as soon as practicable after the date of the enactment of this section and at such other times as the Secretary determines appropriate, the Secretary and each covered employee (as defined in section 280I(e)) of the amount of covered excessive 2009 bonuses to which this section applies and the amount of tax deducted and withheld on such bonuses.

“(4) SECRETARIAL AUTHORITY.—The Secretary may prescribe such regulations, rules, and guidance of general applicability as may be necessary to carry out the provisions of this section, including—

“(A) to prescribe the due date and manner of payment of the tax imposed by this section with respect to any covered excessive 2009 bonus paid before the date of the enactment of this section, and

“(B) to prevent—

“(i) the recharacterization of a bonus payment as a payment which is not a bonus payment in order to avoid the purposes of this section,

“(ii) the treatment as other than an additional 2009 bonus payment of any payment of increased wages or other payments to a covered employee who receives a bonus payment subject to this section in order to reimburse such covered employee for the tax imposed by this section with regard to such bonus, or

“(iii) the avoidance of the purposes of this section through the use of partnerships or other pass-thru entities.”.

(b) CLERICAL AMENDMENTS.—

(1) The heading and table of sections for chapter 46 of the Internal Revenue Code of 1986 are amended to read as follows:

**“CHAPTER 46—TAXES ON CERTAIN EXCESSIVE REMUNERATION**

“Sec. 4999. Golden parachute payments.

“Sec. 4999A. Excessive 2009 bonuses received from major recipients of Federal emergency economic assistance.”.

(2) The item relating to chapter 46 in the table of chapters for subtitle D of such Code is amended to read as follows:

“Chapter 46. Taxes on certain excessive remuneration.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments of covered excessive 2009 bonuses after December 31, 2008, in taxable years ending after such date.

**SEC. 4004. LIMITATION ON DEDUCTION OF AMOUNTS PAID AS EXCESSIVE 2009 BONUSES BY MAJOR RECIPIENTS OF FEDERAL EMERGENCY ECONOMIC ASSISTANCE.**

(a) IN GENERAL.—Part IX of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 280I. EXCESSIVE 2009 BONUSES PAID BY MAJOR RECIPIENTS OF FEDERAL EMERGENCY ECONOMIC ASSISTANCE.**

“(a) GENERAL RULE.—The deduction allowed under this chapter with respect to the amount of any covered excessive 2009 bonus shall not exceed 50 percent of the amount of such bonus.

“(b) COVERED EXCESSIVE 2009 BONUS.—For purposes of this section, the term ‘covered

excessive 2009 bonus’ means any 2009 bonus payment paid during any calendar year to a covered employee by any major Federal emergency economic assistance recipient, to the extent that the aggregate of such 2009 bonus payments (without regard to the date on which such payments are paid) with respect to such employee exceeds the dollar amount of the compensation received by the President under section 102 of title 3, United States Code, for calendar year 2009.

“(c) 2009 BONUS PAYMENT.—

“(1) IN GENERAL.—The term ‘2009 bonus payment’ means any payment which—

“(A) is a payment for services rendered,

“(B) is in addition to any amount payable to a covered employee for services performed by such covered employee at a regular hourly, daily, weekly, monthly, or similar periodic rate,

“(C) in the case of a retention bonus, is paid for continued service during calendar year 2009 or 2010, and

“(D) in the case of a payment not described in subparagraph (C), is attributable to services performed by a covered employee during calendar year 2009 (without regard to the year in which such payment is paid).

Such term does not include payments to an employee as commissions, contributions to any qualified retirement plan (as defined in section 4974(c)), welfare and fringe benefits, overtime pay, or expense reimbursements. In the case of a payment which is attributable to services performed during multiple calendar years, such payment shall be treated as a 2009 bonus payment to the extent it is attributable to services performed during calendar year 2009.

“(2) DEFERRED DEDUCTION BONUS PAYMENTS.—

“(A) IN GENERAL.—The term ‘2009 bonus payment’ includes payments attributable to services performed in 2009 which are paid in the form of remuneration (within the meaning of section 162(m)(4)(E)) for which the deduction under this chapter (determined without regard to this section) for such payment is allowable in a subsequent taxable year.

“(B) TIMING OF DEFERRED DEDUCTION BONUS PAYMENTS.—For purposes of this section and section 4999A, the amount of any payment described in subparagraph (A) (as determined in the year in which the deduction under this chapter, determined without regard to this section, for such payment would be allowable) shall be treated as having been made in the calendar year in which any interest in such amount is granted to a covered employee (without regard to the date on which any portion of such interest vests).

“(3) RETENTION BONUS.—The term ‘retention bonus’ means any bonus payment (without regard to the date such payment is paid) to a covered employee which—

“(A) is contingent on the completion of a period of service with a major Federal emergency economic assistance recipient, the completion of a specific project or other activity for the major Federal emergency economic assistance recipient, or such other circumstances as the Secretary may prescribe, and

“(B) is not based on the performance of the covered employee (other than a requirement that the employee not be separated from employment for cause).

A bonus payment shall not be treated as based on performance for purposes of subparagraph (B) solely because the amount of the payment is determined by reference to a previous bonus payment which was based on performance.

“(d) MAJOR FEDERAL EMERGENCY ECONOMIC ASSISTANCE RECIPIENT.—For purposes of this section—

“(1) IN GENERAL.—The term ‘major Federal emergency economic assistance recipient’ means—

“(A) any financial institution (within the meaning of section 3 of the Emergency Economic Stabilization Act of 2008) if at any time after December 31, 2007, the Federal Government acquires—

“(i) an equity interest in such person pursuant to a program authorized by the Emergency Economic Stabilization Act of 2008 or the third undesignated paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 343), or

“(ii) any warrant (or other right) to acquire any equity interest with respect to such person pursuant to any such program, but only if the total value of the equity interest described in clauses (i) and (ii) in such person is not less than \$5,000,000,000.

“(B) the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, and

“(C) any person which is a member of the same affiliated group (as defined in section 1504, determined without regard to subsection (b) thereof) as a person described in subparagraph (A) or (B).

“(2) TREATMENT OF CONTROLLED GROUPS.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as a single employer with respect to any covered employee.

“(e) COVERED EMPLOYEE.—For purposes of this section, the term ‘covered employee’ means, with respect to any major Federal emergency economic assistance recipient—

“(1) any employee of such recipient, and

“(2) any director of such recipient who is not an employee.

In the case of any major Federal emergency economic assistance recipient which is a partnership or other unincorporated trade or business, the term ‘employee’ shall include employees of such recipient within the meaning of section 401(c)(1).

“(f) REGULATIONS.—The Secretary may prescribe such regulations, rules, and guidance of general applicability as may be necessary to carry out the provisions of this section, including—

“(1) to prescribe the due date and manner of reporting and payment of any increase in the tax imposed by this chapter due to the application of this section to any covered excessive 2009 bonus paid before the date of the enactment of this section, and

“(2) to prevent—

“(A) the recharacterization of a bonus payment as a payment which is not a bonus payment in order to avoid the purposes of this section, or

“(B) the avoidance of the purposes of this section through the use of partnerships or other pass-thru entities.”.

(b) CLERICAL AMENDMENT.—The table of sections for part IX of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 280I. Excessive 2009 bonuses paid by major recipients of Federal emergency economic assistance.”.

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (F) of section 162(m)(4) of the Internal Revenue Code of 1986 is amended—

(A) by inserting “AND EXCESSIVE 2009 BONUSES” after “PAYMENTS” in the heading,

(B) by striking “the amount” and inserting “the total amounts”, and

(C) by inserting “or 280I” before the period.

(2) Subparagraph (A) of section 3121(v)(2) of such Code is amended by inserting “, to any covered excessive 2009 bonus (as defined in section 280I(b)),” after “section 280G(b))”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to payments of covered excessive 2009 bonuses after December 31, 2008, in taxable years ending after such date.

**SA 4425.** Mr. REID proposed an amendment to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Unemployment Compensation Extension Act of 2010”.

**SEC. 2. EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.**

(a) **IN GENERAL.**—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(A) by striking “June 2, 2010” each place it appears and inserting “November 30, 2010”;

(B) in the heading for subsection (b)(2), by striking “JUNE 2, 2010” and inserting “NOVEMBER 30, 2010”;

(C) in subsection (b)(3), by striking “November 6, 2010” and inserting “April 30, 2011”.

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking “June 2, 2010” each place it appears and inserting “December 1, 2010”;

(B) in subsection (c), by striking “November 6, 2010” and inserting “May 1, 2011”.

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110-449; 26 U.S.C. 3304 note) is amended by striking “November 6, 2010” and inserting “April 30, 2011”.

(b) **FUNDING.**—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (D), by striking “and” at the end; and

(2) by inserting after subparagraph (E) the following:

“(F) the amendments made by section 2(a)(1) of the Unemployment Compensation Extension Act of 2010; and”.

(c) **CONDITIONS FOR RECEIVING EMERGENCY UNEMPLOYMENT COMPENSATION.**—Section 4001(d)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended, in the matter preceding subparagraph (A), by inserting before “shall apply” the following: “(including terms and conditions relating to availability for work, active search for work, and refusal to accept work)”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall take effect as if included in the enactment of the Continuing Extension Act of 2010 (Public Law 111-157).

**SEC. 3. COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.**

(a) **CERTAIN INDIVIDUALS NOT INELIGIBLE BY REASON OF NEW ENTITLEMENT TO REGULAR BENEFITS.**—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following:

“(g) **COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.**—

“(1) If—

“(A) an individual has been determined to be entitled to emergency unemployment compensation with respect to a benefit year,

“(B) that benefit year has expired,

“(C) that individual has remaining entitlement to emergency unemployment compensation with respect to that benefit year, and

“(D) that individual would qualify for a new benefit year in which the weekly benefit amount of regular compensation is at least either \$100 or 25 percent less than the individual’s weekly benefit amount in the benefit year referred to in subparagraph (A), then the State shall determine eligibility for compensation as provided in paragraph (2).

“(2) For individuals described in paragraph (1), the State shall determine whether the individual is to be paid emergency unemployment compensation or regular compensation for a week of unemployment using one of the following methods:

“(A) The State shall, if permitted by State law, establish a new benefit year, but defer the payment of regular compensation with respect to that new benefit year until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

“(B) The State shall, if permitted by State law, defer the establishment of a new benefit year (which uses all the wages and employment which would have been used to establish a benefit year but for the application of this paragraph), until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

“(C) The State shall pay, if permitted by State law—

“(i) regular compensation equal to the weekly benefit amount established under the new benefit year, and

“(ii) emergency unemployment compensation equal to the difference between that weekly benefit amount and the weekly benefit amount for the expired benefit year; or

“(D) The State shall determine rights to emergency unemployment compensation without regard to any rights to regular compensation if the individual elects to not file a claim for regular compensation under the new benefit year.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to individuals whose benefit years, as described in section 4002(g)(1)(B) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note), as amended by this section, expire after the date of enactment of this Act.

**SEC. 4. REQUIRING STATES TO NOT REDUCE REGULAR COMPENSATION IN ORDER TO BE ELIGIBLE FOR FUNDS UNDER THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.**

Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following new subsection:

“(g) **NONREDUCTION RULE.**—An agreement under this section shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a manner such that—

“(1) the average weekly benefit amount of regular compensation which will be payable during the period of the agreement occurring on or after June 2, 2010 (determined disregarding any additional amounts attributable to the modification described in section 2002(b)(1) of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 438)), will be less than

“(2) the average weekly benefit amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on June 2, 2010.”.

**SEC. 5. EXTENSION OF HOMEBUYER CREDIT FOR CERTAIN PURCHASES PURSUANT TO BINDING CONTRACTS.**

(a) **IN GENERAL.**—Paragraph (2) of section 36(h) of the Internal Revenue Code of 1986 is amended by striking “paragraph (1) shall be applied by substituting ‘July 1, 2010’” and inserting “and who purchases such residence before October 1, 2010, paragraph (1) shall be applied by substituting ‘October 1, 2010’”.

(b) **CONFORMING AMENDMENT.**—Subparagraph (B) of section 36(h)(3) of the Internal Revenue Code of 1986 is amended by inserting “and for ‘October 1, 2010’” after “for ‘July 1, 2010’”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to residences purchased after June 30, 2010.

**SEC. 6. AMENDMENT OF TRAVEL PROMOTION ACT OF 2009.**

(a) **TRAVEL PROMOTION FUND FEES.**—Section 217(h)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)) is amended—

(1) by striking “subsection (d) of section 11 of the Travel Promotion Act of 2009.” in clause (ii) and inserting “subsection (d) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d))”; and

(2) by striking “September 30, 2014.” in clause (iii) and inserting “September 30, 2015.”.

(b) **IMPLEMENTATION BEGINNING IN FISCAL YEAR 2011.**—Subsection (d) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d)) is amended—

(1) by striking “For fiscal year 2010, the” in paragraph (2)(A) and inserting “The”;

(2) by striking “quarterly, beginning on January 1, 2010,” in paragraph (2)(A) and inserting “monthly, immediately following the collection of fees under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)(i)(I))”;

(3) by striking “fiscal years 2011 through 2014,” in paragraph (2)(B) and inserting “fiscal years 2012 through 2015.”;

(4) by striking “fiscal year 2010,” in paragraph (3)(A) and inserting “fiscal year 2011.”;

(5) by striking “fiscal year 2011,” each place it appears in paragraph (3)(A) and inserting “fiscal year 2012.”;

(6) by striking “fiscal year 2010, 2011, 2012, 2013, or 2014” in paragraph (4)(B) and inserting “fiscal year 2011, 2012, 2013, 2014, or 2015”.

**SEC. 7. DISCLOSURE OF PRISONER RETURN INFORMATION TO STATE PRISONS.**

(a) **IN GENERAL.**—Subparagraph (A) of section 6103(k)(10) of the Internal Revenue Code of 1986 is amended—

(1) by inserting “and the head of any State agency charged with the responsibility for administration of prisons” after “the head of the Federal Bureau of Prisons”, and

(2) by striking “Federal prison” and inserting “Federal or State prison”.

(b) **RESTRICTION ON REDISCLOSURE.**—Subparagraph (B) of section 6103(k)(10) of such Code is amended—

(1) by inserting “and the head of any State agency charged with the responsibility for administration of prisons” after “the head of the Federal Bureau of Prisons”, and

(2) by inserting “or agency” after “such Bureau”.

(c) **RECORDKEEPING.**—Paragraph (4) of section 6103(p) of such Code is amended by inserting “(k)(10),” before “(l)(6),” in the matter preceding subparagraph (A).

(d) **CLERICAL AMENDMENT.**—The heading of paragraph (10) of section 6103(k) of such Code is amended by striking “OF PRISONERS TO FEDERAL BUREAU OF PRISONS” and inserting “TO CERTAIN PRISON OFFICIALS”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

**SEC. 8. RESCISSIONS.**

Of the funds appropriated in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts:

“Research, Development, Test and Evaluation, Army, 2009/2010”, \$20,000,000.

“Research, Development, Test and Evaluation, Air Force, 2009/2010”, \$39,000,000.

“Research, Development, Test and Evaluation, Defense-Wide, 2009/2010”, \$35,000,000.

**SEC. 9. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.**

(a) **SHIFT FROM 2015 TO 2014.**—The percentage under paragraph (1) of section 202(b) of the Corporate Estimated Tax Shift Act of 2009 in effect on the date of the enactment of this Act is increased by 0.25 percentage points.

(b) **SHIFT FROM 2016 TO 2015.**—The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 0.25 percentage points.

**SEC. 10. BUDGETARY PROVISIONS.**

(a) **STATUTORY PAYGO.**—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ‘Budgetary Effects of PAYGO Legislation’ for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

(b) **EMERGENCY DESIGNATIONS.**—Sections 2 and 3—

(1) are designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111-139; 2 U.S.C. 933(g));

(2) in the House of Representatives, are designated as an emergency for purposes of pay-as-you-go principles; and

(3) in the Senate, are designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

**SA 4426.** Mr. REID proposed an amendment to amendment SA 4425 proposed by Mr. REID to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective 3 days after enactment.

**SA 4427.** Mr. REID proposed an amendment to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

At the end, insert the following:

The Committee on Finance is requested to study the economic impact of the delay in implementing the provisions of the Act on job creation on a national and regional level.

**SA 4428.** Mr. REID proposed an amendment to amendment SA 4427 proposed by Mr. REID to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

At the end, insert the following:

and include statistical data on the specific service related positions created

**SA 4429.** Mr. REID proposed an amendment to amendment SA 4428 proposed by Mr. REID to the amendment SA 4427 proposed by Mr. REID to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

At the end, insert the following:  
and the impact on the local economy.

**SA 4430.** Mrs. BOXER (for herself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 4402 proposed by Mr. REID (for Mr. BAUCUS (for himself, Ms. LANDRIEU, and Mr. REID)) to the bill H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes; which was ordered to lie on the table; as follows:

At the end of part III of subtitle A of title II, insert the following:

**SEC. —. STANDARD HOME OFFICE DEDUCTION.**

(a) **IN GENERAL.**—Subsection (c) of section 280A of the Internal Revenue Code of 1986 (relating to disallowance of certain expenses in connection with business use of home, rental of vacation homes, etc.) is amended by adding at the end the following new paragraph:

“(7) **STANDARD HOME OFFICE DEDUCTION.**—

“(A) **IN GENERAL.**—In the case of an individual who is allowed a deduction for the use of a home office because of a use described in paragraphs (1), (2), or (4) of this subsection, notwithstanding the limitations of paragraph (5), if such individual elects the application of this paragraph for the taxable year, such individual shall be allowed a deduction equal to the standard home office deduction for the taxable year in lieu of the deductions otherwise allowable under this chapter for such taxable year by reason of being attributed to such use.

“(B) **STANDARD HOME OFFICE DEDUCTION.**—For purposes of this paragraph, the standard home office deduction is the lesser of—

“(i) \$1,200, or

“(ii) the gross income derived from the individual’s trade or business for which such use occurs.

“(C) **TERMINATION.**—This paragraph shall not apply to taxable years beginning after December 31, 2010.”

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2009.

(c) **OFFSET.**—Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Management and Budget, in consultation with the heads of the Federal departments and agencies, shall direct the Federal departments and agencies to reduce nonessential government travel by \$158,000,000 in fiscal year 2011.

**NOTICES OF HEARINGS****COMMITTEE ON ENERGY AND NATURAL RESOURCES**

Mr. BINGAMAN. Mr. President, I would like to announce for the infor-

mation of the Senate and the public that the oversight hearing scheduled before the Subcommittee on Water and Power for Thursday, July 1, 2010, at 2:30 p.m., has been postponed.

The purpose of this oversight hearing is to examine the Federal response to the discovery of the aquatic invasive species Asian carp in Lake Calumet, Illinois.

For further information, please contact Tanya Trujillo or Gina Weinstock.

**COMMITTEE ON ENERGY AND NATURAL RESOURCES**

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the hearing scheduled before the Senate Committee on Energy and Natural Resources previously announced for July 1, at 9:30 a.m., has been rescheduled and will now be held on Wednesday, June 30, 2010, at 2:30 p.m., in room SD-366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on S. 3452, a bill to designate the Valles Caldera National Preserve as a unit of the National Park System, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510-6150, or by email to [testimony@energy.senate.gov](mailto:testimony@energy.senate.gov).

For further information, please contact David Brooks or Allison Seyferth.

**AUTHORITY FOR COMMITTEES TO MEET****COMMITTEE ON ARMED SERVICES**

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on June 29, 2010, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS**

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on June 29, 2010, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS**

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet, during the session of the Senate, to conduct a hearing entitled ‘Examining the Continuing Needs of Workers and Communities Affected by 9/11’ on June 29, 2010. The hearing will commence at 2:30 p.m. in room 430 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON FOREIGN RELATIONS

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on June 29, 2010, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON THE JUDICIARY

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 29, 2010, at 9 a.m., in room SH-216 of the Hart Senate Office Building, to continue the hearing on the nomination of Elena Kagan to be an Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SELECT COMMITTEE ON INTELLIGENCE

Mr. KAUFMAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on June 29, 2010 at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PRIVILEGES OF THE FLOOR

Mr. ENZI. Mr. President, I ask unanimous consent that Spencer Suffling and Casey O'Neill of Senator BINGAMAN's office be granted the privilege of the floor for today, June 29, 2010.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the following staff of the Finance Committee be granted the privileges of the floor during consideration of the small business jobs bill:

Maia Aageson, Emily Anderson, Logan Baker, Mary Baker, Andrew Fishburn, Benjamin Furnas, Anders Landgren, John Merrick, Kristian Miller, Kathryn Spika, Greg Sullivan, Logan Timmerhoff, Ashley Zuelke.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PREDISASTER HAZARD MITIGATION ACT OF 2010

On Monday, June 28, 2010, the Senate passed S. 3249, as amended, as follows:  
S. 3249

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "Predisaster Hazard Mitigation Act of 2010".

##### SEC. 2. PREDISASTER HAZARD MITIGATION.

(a) ALLOCATION OF FUNDS.—Section 203(f) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133(f)) is amended to read as follows:

"(f) ALLOCATION OF FUNDS.—

"(1) IN GENERAL.—The President shall award financial assistance under this section on a competitive basis and in accordance with the criteria in subsection (g).

"(2) MINIMUM AND MAXIMUM AMOUNTS.—In providing financial assistance under this section, the President shall ensure that the amount of financial assistance made available to a State (including amounts made available to local governments of the State) for a fiscal year—

"(A) is not less than the lesser of—

"(i) \$575,000; or

"(ii) the amount that is equal to 1 percent of the total funds appropriated to carry out this section for the fiscal year; and

"(B) does not exceed the amount that is equal to 15 percent of the total funds appropriated to carry out this section for the fiscal year."

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 203(m) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133(m)) is amended to read as follows:

"(m) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) \$180,000,000 for fiscal year 2011;

"(2) \$190,000,000 for fiscal year 2012;

"(3) \$200,000,000 for fiscal year 2013;

"(4) \$200,000,000 for fiscal year 2014; and

"(5) \$200,000,000 for fiscal year 2015."

(c) TECHNICAL CORRECTIONS TO REFERENCES.—The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) is amended—

(1) in section 602(a) (42 U.S.C. 5195a(a)), by striking paragraph (7) and inserting the following:

"(7) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Federal Emergency Management Agency."; and

(2) by striking "Director" each place it appears and inserting "Administrator", except—

(A) in section 622 (42 U.S.C. 5197a)—

(i) in the second and fourth places it appears in subsection (c); and

(ii) in subsection (d); and

(B) in section 626(b) (42 U.S.C. 5197e(b)).

##### SEC. 3. PROHIBITION ON EARMARKS.

Section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133) is amended by adding at the end the following:

"(n) PROHIBITION ON EARMARKS.—

"(1) IN GENERAL.—None of the funds appropriated or otherwise made available to carry out this section may be used for congressionally directed spending, as defined under rule XLIV of the Standing Rules of the Senate.

"(2) REPORT TO CONGRESS.—If grants are awarded under this section using procedures other than competitive procedures, the Administrator of the Federal Emergency Management Agency shall submit to Congress a report explaining why competitive procedures were not used."

#### UNANIMOUS-CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that on Wednesday, June 30, following morning business, the Senate proceed to executive session to consider Calendar No. 963, the nomination of GEN David Petraeus, and that there be 20 minutes of debate with respect to the nomination, with the time equally divided and controlled between Senators LEVIN and MCCAIN or their designees; that upon the use or yielding back of time, the Senate proceed to vote on confirmation of the nomination; that upon confirmation, the motion to reconsider be considered made and laid

upon the table, the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### RECOGNIZING THE IMPORTANT ROLE OF FATHERS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. Con. Res. 285.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 285) recognizing the important role that fathers play in the lives of their children and families and supporting the goals and ideals of designating 2010 as the Year of the Father.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 285) was agreed to.

The preamble was agreed to.

#### NATIONAL DAY OF THE AMERICAN COWBOY

Mr. REID. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of and the Senate now proceed to S. Res. 554.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 554) designating July 24, 2010, as "National Day of the American Cowboy."

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 554) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 554

Whereas pioneering men and women, recognized as "cowboys", helped establish the American West;

Whereas the cowboy embodies honesty, integrity, courage, compassion, respect, a strong work ethic, and patriotism;

Whereas the cowboy spirit exemplifies strength of character, sound family values, and good common sense;

Whereas the cowboy archetype transcends ethnicity, gender, geographic boundaries, and political affiliations;

Whereas the cowboy is an excellent steward of the land and its creatures, who lives off the land and works to protect and enhance the environment;

Whereas cowboy traditions have been a part of American culture for generations;

Whereas the cowboy continues to be an important part of the economy through the work of many thousands of ranchers across the Nation who contribute to the economic well-being of every State;

Whereas millions of fans watch professional and working ranch rodeo events annually, and rodeo is one of the most-watched sports in the Nation;

Whereas membership and participation in rodeo and other organizations that promote and encompass the livelihood of cowboys span every generation and transcend race and gender;

Whereas the cowboy is a central figure in literature, film, and music and occupies a central place in the public imagination;

Whereas the cowboy is an American icon; and

Whereas the ongoing contributions made by cowboys and cowgirls to their communities should be recognized and encouraged: Now, therefore, be it

*Resolved*, That the Senate—

(1) designates July 24, 2010, as “National Day of the American Cowboy”; and

(2) encourages the people of the United States to observe the day with appropriate ceremonies and activities.

#### RECOGNIZING THE 50TH ANNIVERSARY OF THE RATIFICATION OF THE TREATY OF MUTUAL SECURITY AND COOPERATION WITH JAPAN

Mr. REID. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Res. 564 and that the Senate now take up that matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 564) recognizing the 50th anniversary of the ratification of the Treaty of Mutual Security and Cooperation with Japan, and affirming support for the United States-Japan security alliance and relationship.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table; that there be no intervening action or debate, and any statements relating to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 564) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 564

Whereas Japan became a treaty ally of the United States with the signing of the Treaty

of Mutual Cooperation and Security on January 19, 1960;

Whereas the treaty entered into force on June 19, 1960, after its ratification by the Japanese Diet and the United States Senate;

Whereas, in furtherance of the treaty, Japan hosts approximately 36,000 members of the United States Armed Forces, 43,000 dependents, and 5,000 civilian employees of the Department of Defense, with a majority located on the island of Okinawa;

Whereas the United States and Japan signed the Roadmap for Realignment Implementation on May 1, 2006, to strengthen the alliance by maintaining defense capabilities while reducing burdens on local communities;

Whereas the United States and Japan signed the Guam Agreement on February 17, 2009, on the relocation of approximately 8,000 Marines assigned to the III Marine Expeditionary Force (MEF) personnel and their approximately 9,000 dependents from Okinawa to Guam, which would reduce the presence of the Marine Corps on Okinawa by nearly half;

Whereas the Governments of the United States and Japan maintain a strong security partnership through joint exercises between the United States Armed Forces and Japan's Self-Defense Forces;

Whereas Japan's Self-Defense Forces have contributed broadly to global security missions, including relief operations following the tsunami in Indonesia in 2005, reconstruction in Iraq from 2004 to 2006, relief assistance following the earthquake in Haiti in 2010, and maritime security operations in the Gulf of Aden;

Whereas Japan assists in the United States-led effort in Afghanistan where it ranks as the second-largest donor after the United States, pledging \$5,000,000,000 over five years to improve infrastructure, education, and health, in addition to underwriting, with the United Kingdom, a reintegration trust fund for former Taliban fighters;

Whereas Japan's Self-Defense Forces have played a vital role in United Nations peacekeeping operations around the world, beginning in 1992 when Japan dispatched two 600-member engineering battalions to the United Nations Transitional Authority in Cambodia (UNTAC);

Whereas the sinking of the Republic of Korea's Cheonan naval ship by North Korea was a direct provocation intended to destabilize Northeast Asia and demonstrates the importance of cooperation between the United States and Japan on regional security issues;

Whereas recent maritime activities by China's People's Liberation Army Navy to challenge Japan's sovereignty claims in waters contested by Japan and China underscore the vital nature of the United States-Japan alliance to maintaining a balance of security in the region;

Whereas, on May 28, 2010, members of the United States-Japan Security Consultative Committee reconfirmed that, in this 50th anniversary year of the signing of the Treaty of Mutual Cooperation and Security, the United States-Japan alliance remains “indispensable not only to the defense of Japan, but also to the peace, security, and prosperity of the Asia-Pacific region”;

Whereas the security alliance has served as the foundation for deep cultural, political, and economic ties between the people of the United States and the people of Japan; and

Whereas Japan remains a steadfast global partner with shared values of freedom, democracy, and liberty: Now, therefore, be it

*Resolved*, That the Senate—

(1) affirms its commitment to the United States-Japan security alliance and the deep friendship of both countries that is based on shared values;

(2) recognizes the benefits of the alliance to the national security of the United States and Japan, as well as to regional peace and security;

(3) recognizes the contributions of and expresses appreciation for the people of Japan, and in particular the people of Okinawa, in hosting members of the United States Armed Forces and their families in Japan;

(4) values the involvement of Japan's Self-Defense Forces in regional and global security operations;

(5) promotes the implementation of the Roadmap for Realignment to reduce the burden on local communities while maintaining the United States strategic posture in Asia; and

(6) anticipates the continuation of the steadfast alliance with its invaluable contribution to global peace, democracy, and security.

#### PROVIDING FOR THE USE OF THE CAPITOL VISITOR CENTER CATAFALQUE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Con. Res. 65.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 65) providing for the use of the catafalque situated in the Exhibition Hall of the Capitol Visitor Center in connection with memorial services to be conducted in the United States Senate Chamber for the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 65) was agreed to, as follows:

S. CON. RES. 65

*Resolved by the Senate (the House of Representatives concurring)*, That the Architect of the Capitol is authorized and directed to transfer the catafalque which is situated in the Exhibition Hall of the Capitol Visitor Center to the Senate Chamber so that such catafalque may be used in connection with services to be conducted there for the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia.

#### RELATIVE TO THE MEMORIAL OBSERVANCES OF THE HONORABLE ROBERT C. BYRD

Mr. REID. I ask unanimous consent to proceed to S. Res. 574.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 574) relative to the memorial observances of the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia.

There being no objection, the Senate proceeded to consider the resolution.



Mr. REID. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, and the motions to reconsider be laid upon the table en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 574) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 574

Whereas, The Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia: Now, therefore, be it

*Resolve*, That the memorial observances of the Honorable ROBERT C. BYRD, late a Senator from the State of West Virginia, be held in the Senate Chamber on Thursday, July 1, 2010, beginning 10:00 a.m., and that the Senate attend the same.

*Resolve*, That paragraph 1 of Rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting the Senate Photographic Studio to photograph this memorial observance.

*Resolved*, That the Sergeant at Arms be directed to make necessary and appropriate arrangements in connection with the memorial observances in the Senate Chamber.

*Resolve*, That the Secretary of the Senate communicate these resolutions to the House of Representatives, transmit an enrolled copy thereof to the family of the deceased, and invite the House of Representatives and the family of the deceased to attend the memorial observance in the Senate Chamber.

*Resolve*, That invitations be extended to the President of the United States, the Vice President of the United States, and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, the Chief of Staff of the Air Force, and the Commandant of the Coast Guard to attend the memorial observances in the Senate Chamber.

MEASURE READ THE FIRST TIME—H.R. 5623

Mr. REID. Mr. President, I have been told that H.R. 5623 has been received from the House and is now at the desk. I ask for its first reading.

The PRESIDING OFFICER. The Senator is correct. The clerk will report the bill by title for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 5623) to amend the Internal Revenue Code of 1986 to extend the home-buyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract, entered into with respect to such principal residence before May 1, 2010, and for other purposes.

Mr. REID. Mr. President, I ask for its second reading but object to my own request.

The PRESIDING OFFICER. Objection having been heard, the bill will receive its second reading on the next legislative day.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 111-6

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaty transmitted to the Senate on June 29, 2010, by the President of the United States: Mutual Legal Assistance Treaty with Bermuda, Treaty Document No. 111-6. I further ask unanimous consent that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the Government of the United States of America and the Government of Bermuda relating to Mutual Legal Assistance in Criminal Matters, signed at Hamilton on January 12, 2009. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States to more effectively counter criminal activities. The Treaty should enhance our ability to investigate and prosecute a wide variety of crimes.

The Treaty provides for a broad range of cooperation in criminal matters. Under the Treaty, the Parties agree to assist each other by, among other things: producing evidence (such as testimony, documents, or items) obtained voluntarily or, where necessary, by compulsion; arranging for persons, including persons in custody, to travel to the other country to provide evidence; serving documents; executing searches and seizures; locating and identifying persons or items; and freezing and forfeiting assets or property that may be the proceeds or instrumentalities of crime.

I recommend that the Senate give early and favorable consideration to the Treaty, and give its advice and consent to ratification.

BARACK OBAMA.

THE WHITE HOUSE, June 29, 2010.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, upon the recommendation of the Republican leader, pursuant to Public Law 105-292, as amended by Public Law 106-55, and as further amended by Public Law 107-228, appoints the following individual to the United States Commission on International Religious Freedom: Richard D. Land of Tennessee.

ORDER FOR MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that on Wednesday, June 30, after any leader time, there be a 2-hour period for the transaction of morning business, with Senators permitted to speak therein for up to 10 minutes each, and that during this period of time, Senators may offer tributes to the late Senator ROBERT C. BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PRINTING OF TRIBUTES

Mr. REID. Mr. President, I ask unanimous consent that tributes to ROBERT C. BYRD, late a Senator from West Virginia, be printed as a Senate document, and that Members have until 12 noon, Friday, August 6, 2010, to submit said tributes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY, JUNE 30, 2010

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m., Wednesday, June 30; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate proceed to a period of morning business for 2 hours with Senators permitted to speak for up to 10 minutes each; that following morning business, the Senate proceed to executive session, as provided for under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, tomorrow, following 2 hours of morning business, the Senate will proceed to executive session to consider the nomination of David Petraeus. There will be up to 20 minutes of debate on the nomination. Senators should expect a vote around 12 noon tomorrow on the confirmation of General Petraeus.

Following the nomination, we will expect to resume consideration of the small business jobs bill. Additional rollcall votes are expected to occur throughout the afternoon in relation to amendments to the small business jobs bill and the unemployment insurance extension, if we are able to reach an agreement.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 8:01 p.m., adjourned until Wednesday, June 30, 2010, at 9:30 a.m.

## NOMINATIONS

Executive nominations received by the Senate:

### DEPARTMENT OF STATE

NORMAN L. EISEN, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CZECH REPUBLIC.

SCOT ALAN MARCIEL, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF INDONESIA.

TERENCE PATRICK MCCULLEY, OF OREGON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL REPUBLIC OF NIGERIA.

LARRY LEON PALMER, OF GEORGIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE BOLIVARIAN REPUBLIC OF VENEZUELA.

### IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

#### *To be lieutenant general*

MAJ. GEN. ROBERT E. SCHMIDLE, JR.

### IN THE AIR FORCE

THE FOLLOWING NAMED INDIVIDUAL FOR APPOINTMENT TO THE GRADE INDICATED IN THE REGULAR AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531(A):

#### *To be major*

ZENNON A. BOCHNAK

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

#### *To be colonel*

FREDRICK D. ALDRIDGE  
KRAIG ANDREW ARTZ  
REBECCA A. N. BAHM  
MALINDA M. BEGGS  
DANIEL F. BILES  
WAYLON D. BLAKELEY  
ERIC L. BRATU  
ZANE E. BROWN  
GERALD L. CHAMPLIN  
JOHN J. CHIANESE  
KEVIN DAVID CLOTFELTER  
ANTHONY ASIS DEJESUS  
COLLEEN ANTOINETTE DICKINSON  
THOMAS W. DIXON  
WILLIAM JOSEPH DORAN III  
JOHN R. DOUGHERTY  
FLOYD W. DUNSTAN  
CRAIG E. DYE  
KENNETH S. EAVES  
EARL ALEXANDER EVANS  
PAUL T. FITZGERALD  
MARK R. FLEMING  
KENNETH CARL FOLGER  
JOHN STOREY GALLAGHER  
JAMES R. GALLOWAY  
JUAN C. GARCIA DIAZ  
ALYSON M. GIOIA  
FREDERICK A. GLOAD  
MICHAEL BRENDON GREIGER  
ROHN H. HAMILTON  
PAUL G. HAVEL  
DAVID CARL HAWKINS  
MURIEL L. HERMAN  
DANA A. HESSHEIMER  
GREGORY SCOTT HOLZHEI  
JEFFREY G. HWANG  
DAVID JAURIQUE  
WILL LEON JOHNSON  
JOHN F. KANE  
MICHAEL R. KELLEY  
CALVIN WILFRID KEMP  
MICHAEL JON KITTO  
RONALD WILLIAM KRUEGER  
JOSEPH PETER MASLAR  
MAREN MCAVOY  
MICHAEL THOMAS MCGUIRE  
JAMES L. MCKOANE III  
MICHAEL C. MCMILLIN  
GARY MARK MIDDLEBROOKS  
DONALD CHARLES MOBLY  
PATRICK M. MORGAN  
BRIAN P. PATTERSON  
BRIAN J. REILLY  
SHANE LEO SANDERS  
MICHAEL W. SANDERSON  
STANLEY K. SATO

TIMOTHY F. SCHUSTER  
PAUL E. SHINGLEDECKER  
KRISTINA LYNETTE SILBERSCHLAG  
BRIAN N. SIVERTSON  
CHARLES JOHN SMITH, JR.  
AARON D. SMOLLER  
TRACY DEWAYNE SPENCER  
DAVID EUGENE SULLIVAN  
KIMBERLY LYNN TERPENING  
JEFFREY L. THETFORD  
LEE ROY THOMPSON  
MICHAEL J. TOKARZ  
ERIC TURNER VAUGHN  
HOWARD N. WAGNER  
LINDSEY AVERELL WHITEHEAD  
JOHN A. WILLIAMSON, JR.  
TERENCE C. WINKLER  
BRENT WRAY WRIGHT  
SCOTT D. YACKLEY

### IN THE ARMY

THE FOLLOWING NAMED INDIVIDUAL TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

#### *To be colonel*

EDWARD B. MCKEE

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SERVICE CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

#### *To be lieutenant colonel*

JOHN D. VIA

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY NURSE CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

#### *To be major*

KYU LUND

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

#### *To be major*

MATTHEW L. Y. OKUDA

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SPECIALIST CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

#### *To be major*

ALEXANDER K. BRENNER

THE FOLLOWING NAMED INDIVIDUAL FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

#### *To be lieutenant colonel*

RICHARD J. GRAY

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

#### *To be colonel*

JOSEPH B. DORE

#### *To be lieutenant colonel*

LENA FRIEND  
CHARLES B. GODFREY  
PETER J. MCDONNELL

#### *To be major*

NICHOLAS JASZCZAK  
DARIUSZ G. MYDLARZ  
COURTNEY T. TRIPP

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 531:

#### *To be lieutenant colonel*

EDWARD C. CAMACHO  
PATRICK M. MIFSUD  
DONALD E. PETERS

#### *To be major*

JONAS C. BRAUD  
WILFREDO CORPS  
ZACHARY W. COYAN  
STEVEN J. GRIBSCHAW  
ERIC D. KELLEY  
CARLOS F. MENDEZ RAMOS  
MARK P. MICHELS  
JESSICA V. MERRIAM  
ERIC T. PHILLIPS  
JON B. TIPTON

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

#### *To be lieutenant colonel*

DAVID GONZALEZ

#### *To be major*

PAMELA H. REYNOLDS

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

#### *To be colonel*

GREGORY C. RISK

#### *To be major*

VICTOR Y. YU

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

#### *To be lieutenant colonel*

MARK M. JACKSON

#### *To be major*

SCOTT M. DAVIS  
MATTHEW E. GOMEZ  
AVINASH JADHAV

### IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

#### *To be lieutenant commander*

PAUL J. JOYCE

THE FOLLOWING NAMED INDIVIDUAL FOR APPOINTMENT TO THE GRADE INDICATED IN THE REGULAR NAVY UNDER TITLE 10, U.S.C., SECTION 531:

#### *To be captain*

KERRY J. KRAUSE

THE FOLLOWING NAMED OFFICER FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

#### *To be lieutenant commander*

MATTHEW D. BARKER

THE FOLLOWING NAMED INDIVIDUALS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

#### *To be commander*

#### *To be lieutenant commander*

DWIGHT A. HOLLAND  
DIEUTHU T. NGUYEN  
BRIGHAM C. WILLIS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

#### *To be captain*

EDGARDO MONTERO  
BECKY J. WATSON

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

#### *To be captain*

DAVID B. RODRIGUEZ  
BRADLEY J. THOM

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

#### *To be captain*

ROBERT C. BURTON  
STEVEN K. KELLEY  
TROY M. MCCLELLAND  
SEAN P. MCDONELL  
ROBERT A. OLIVER, JR.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

#### *To be captain*

JERRY D. BINGHAM  
HANH H. CHAU  
MARK J. FAILOR  
DAVID A. KLEINKE  
MICHAEL E. KRIEGER  
STEVEN J. MASSEE  
GEORGE R. MCKEMEY  
AMIN MOURAD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

#### *to be captain*

RUBY O. ANDERSON  
LAURIANN M. BROAD  
JOANN W. FITZELL  
MARIA M. HARBESON  
DEBRA A. LOWE  
JANICE D. MANARY  
KAREN B. MORGAN  
DIANNE M. OKONSKY  
LYNN C. OMALLEY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

*To be captain*

JOHN R. CAPRA  
ANTHONY Z. KALAMS  
BRIAN C. LANSING  
JOSEPH T. LIMJUCO  
ROBERT P. MOREAN  
DILLON L. ROSS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

*To be captain*

PATRICIA A. FREDRICKSON  
PHILBROOK S. MASON, JR.  
MICHAEL L. REINEKE  
JAMES M. SMITH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

*To be captain*

FRANK M. GUPTON  
BRADLEY H. HAJDIK  
HENRY J. PIERPAN III  
JAIME A. QUEJADA

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

*To be captain*

MICHAEL J. BATTAGLIA II  
SHIU Y. L. BAXTER  
HEATHER I. BLOMELEY  
CHARLES A. BROWN  
DAVID T. CARPENTER  
CHARLES S. CHILDERS  
O P. DABROWSKI  
MICHAEL E. DORNEY  
GERALD W. DRYDEN, JR.  
MICHAEL A. MONTOPOLI  
DAVID PALMER  
JOSEPH E. SHERRILL II  
JASON D. STONER  
JAMES J. SULLIVAN, JR.  
ROGER L. SUR  
LESTER D. THOMPSON  
KATHLEEN G. WILSON

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

ROBERTO J. ATHA, JR.  
JEFFREY J. GUZIAK  
RENE LAVERDE  
SEAN M. MAXWELL  
JAMES A. MCMULLIN III

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

THOMAS H. COTTON  
LESLIE C. L. HULLRYDE  
KATHLEEN S. KESLER  
WILLIAM J. MARKS  
TAMSEN A. REESE  
GARY L. ROSS  
WILLIAM H. SPEAKS  
KEVIN R. STEPHENS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

MARIANIE O. BALOLONG  
ANNA C. BRYANT  
MICHAEL J. COOPER  
RACHAEL A. DEMPSEY  
BRAD G. HARRIS  
JIMMY D. HORNE, JR.  
RICHARD A. KENNEDY, JR.  
THOMAS A. MONEYMAKER II  
IVO J. PRIKASKY  
WILLIAM A. SWICK  
JONATHAN J. VORRATH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*to be commander*

FRANKLIN W. BENNETT  
PAUL L. CHOATE  
JEFFREY J. CHOWN  
KELLY T. COVEY  
THOMAS M. DALL  
BRIAN K. GENTON  
ROBERT C. GUSTAFSON  
ARTHUR E. HARVEY  
DARREN T. JONES  
ANTHONY S. KELLY  
JACQUELINE M. LA PACEK  
DEMICHAEAL T. MORGAN  
ROBERT Y. PALMORE  
CORY G. ROSENBERGER

EDWIN SANTANA

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

RICHARD M. ARCHER  
PETER A. ARROBIO  
LORY N. BATTAGLIA  
JAMES C. CHITKO  
ERIC M. GARDNER  
MICHAEL J. GILLIO  
LINDLEY W. GRUBBS  
SAMUEL Y. HANAKI  
MICHAEL K. KASLIK  
CHRISTINE D. MCMANUS  
SAMUEL J. MESSER  
JEFFREY L. MISHAK  
SEAN P. POLETE  
GABRIELA RODRIGUEZ  
LISA M. SULLIVAN  
NAGEL B. SULLIVAN

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

WILLIAM ARIAS  
OLIVIA L. BETHEA  
DARIAN CALDWELL  
JOHN J. CALVERT, JR.  
GALO E. CHAVES  
BRENT E. COWER  
GROVER N. CRAFT, JR.  
ALPHONSO M. DOSS  
JOSE G. HERNANDEZ  
JOHN D. HUDSON  
ELENA P. INGRAM  
NATHAN J. KING  
STEVEN M. MILINKOVICH  
DARRELL L. NEELEY  
DAVID W. NIKODYM  
KATHERINE J. SCHULLIAN  
CHRISTIAN A. STOVER  
AARON J. WAGNER  
JAMES V. WALSH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

NICHOLAS E. ANDREWS  
JAMES S. BROWN  
THANONGDETH T. CHINYAVONG  
REGINA M. COX  
JOSE CRUZ, JR.  
KENNETH L. DEMICK, JR.  
JAMES E. ELLIS  
ROBERT C. FANNON  
GARY L. FUSELIER  
JAMES O. HAMMOND  
JOSEPH F. HERZIG  
TRACY L. HINES  
JASON S. JONES  
JOHN E. LARSON, JR.  
JOSEPH C. MCALEXANDER  
ERIC D. METOYER  
MARTIN J. SABEL  
MICHAEL H. SANDERS  
KEVIN H. WAGNER  
WILLIAM E. WREN, JR.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

JAMIE W. ACHEE  
CHRISTOPHER L. BOWEN  
STACY A. BOWMAN  
GREG A. BRAATEN  
DANIEL M. BROOKES  
COLIN W. CHINN  
HAROLD T. COLE  
JOHN R. DROTAR  
SHELLY V. FRANK  
BARRY L. JAMES, JR.  
JOSEPH P. LEPORATI  
RACHEL J. V. LIND  
JEFFREY S. MOORE  
OWEN M. SCHOOLSKY  
JOSEPH D. SEARS  
VICTOR L. SPEARS III  
ROBERT J. SUH  
LUCIANA SUNG  
HENRY M. VEGTER  
DOUGLAS A. WHEATON  
WILLIAM L. WOOD  
HOLLY A. YUDISKY  
DARYK E. ZIRKLE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

KEVIN L. ANDERSEN  
GREGORY L. BENTON  
SEAN I. FISCHER  
MICHAEL S. FOWLER  
THOMAS L. GIBBONS  
SCOTT A. GOBAR  
MAXINE GOODRIDGE  
RANDELL R. HARRIS

BERTRAM L. JENNINGS  
JIMMIE L. JONES  
GREGORY C. LUDWIG  
MICHAEL J. MCGINN, JR.  
EDUARDO E. MORALES  
DANIEL A. OLVERA  
STEPHEN J. PAYSEUR  
EDUARDO RAMIREZ  
VICTOR M. RIVERAS, JR.  
BRIAN K. ROTTNEK  
DAVID B. SHANER  
KEVIN L. SMITH  
RAYMOND C. SPEARS  
EDGAR S. TWINING II  
VINCENT U. WEBSTER  
MATT A. WELLS  
PAUL W. WILKES

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

PATRICK L. BENNETT  
JOHN E. CAMPBELL, JR.  
PAUL D. CLIFFORD  
PATRICK A. CROLEY  
CHARLES W. EHNS  
MICHAEL S. ERICKSON  
DAVID W. GAST  
LESLIE E. GLOSBY  
JOHN B. HUGHES  
MARK E. JOHNSON  
DAVID S. KUHN  
JOSHUA J. LAPENNA  
PETER A. LASHOMB  
JEREMY T. LEGHORN  
TOBIAS J. LEMERANDE  
SETH A. MILLER  
WILLIAM L. PARTINGTON  
STEVEN J. PERCHALSKI  
JOSHUA S. PRICE  
ETHAN R. PROPER  
MICHAEL J. ROBISON  
JUAN C. RODARTE  
JOSEPH A. SAEGERT  
NATHAN A. SCHNEIDER  
WILLIAM A. SCHULTZ  
ROBERT D. SCOTT  
DJUENO S. SEARLES  
JOSEPH B. TORREZ  
RICARDO VIGIL  
DIANNA WOLFSON  
ERNEST C. WOODWARD, JR.  
TIMOTHY L. ZANE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

BRIAN M. AKER  
JULIE M. ALFIERI  
LEAH AMERLINGBRAY  
RORY V. BERKE  
JAMES L. BOND  
ANTHONY V. BROCK  
KWAME O. COOKE  
SCOTT M. CORRIGAN  
CURTIS D. DEWITT  
JOSEPH P. DIEMER  
JOHN E. EAVES, JR.  
TRENT W. FINGERSON  
ROBERT T. FLICKINGER  
JAMES P. FORD  
MICHAEL N. GOAD  
RICHARD K. GOUGER  
STACY L. HANNA  
CHRISTOPHER M. HERRON  
KIMBERLY A. HIMMER  
CHRISTOPHER A. HOFFMAN  
JOSEPH M. KASPERSKI  
RAYMOND E. KENDALL  
RICHARD C. KING  
JEFFREY J. KRUPKA  
FRANCISCO J. MARTINEZ  
KEVIN J. MCHALE, JR.  
SUZANNE R. MEYER  
ERIC C. MOSTOLLER  
DENNIS S. OGRADY  
CHARLES ONEAL, JR.  
SWAPAN M. PATEL  
JAMES G. REESE, JR.  
ASHLEY C. ROSE  
THOMAS P. SCARRY  
KRISTOFER J. SCOTT  
MARCUS D. STARKS  
MICHELLE R. STONEKING  
TIMOTHY M. SULLIVAN  
HERBERT R. THOMPSON  
JONATHAN S. VANLARE  
JOSHUA B. WILSON  
BRETT A. WISE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*to be commander*

DAVID L. AAMODT  
PAUL V. ACQUAVELLA  
DEREK S. ADAMETZ  
CHRISTOPHER W. ADAMS  
DOUGLAS J. ADKISSON  
JOHN E. AGER  
ALBERT A. ALARRCON  
ROBERT W. ALPIGINI, JR.

LUIS ALVA  
ALEXANDER D. ANDERSON  
JEREMY T. ANDREW  
MATTHEW J. ANDREWS  
WAYNE W. ANDREWS III  
STEVEN W. ANTCLIFF  
CORY R. APPLEBEE  
LONNIE L. APPLEGET  
DANIEL P. ARTHUR  
ROBERT S. ASHBURN  
GEORGE J. AUSTIN  
JAMES D. BAHR  
JASON W. BAILEY  
DAVID S. BAIRD  
GREGORY E. BAKER  
LINDSEY J. BAKER III  
NATHAN A. BALLOU  
PAUL V. BANDINI  
CRAIG D. BANGOR  
CHRISTOPHER M. BANKS  
MATTHEW A. BARKER  
LUKE A. BARRADELL  
JON A. BARTEE  
BRIAN L. BECK  
MICHAEL C. BECKETTE  
KENNETH R. BELKOFER, JR.  
BRIAN H. BENNETT  
RYAN J. BERNACCHI  
ROBERT A. BERNER  
JEFFREY R. BESSLER  
RICHARD A. BESTGEN  
ANTHONY J. BILOTTI  
MICHAEL A. BISBEE  
CARL M. BLAHNIK  
JOHN E. BLANKENSHIP  
KURT P. BOENISCH  
SHAWN A. BOHRER  
MATTHEW R. BOLAND  
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June 29, 2010

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## EXTENSIONS OF REMARKS

### REMARKS ON THE PASSING OF WALTER SHORENSTEIN

#### HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Ms. PELOSI. Madam Speaker, I rise today in remembrance of Walter Shorenstein. When word of Walter's passing came to the Capitol, sadness was felt throughout this building. Not only did we lose a great American, but for many of us in public office, we lost a great friend. We shared stories of Walters's life and his legacy.

Before I left Washington last Friday, I received messages from all over; from Members of Congress and from people around the country. On my way home to California this weekend, I went to four states, and in every state I heard stories about Walter. I hope it is a comfort to the Shorenstein family that so many people share their loss and respect their father.

The outpouring of respect and affection for Walter Shorenstein brings to mind a passage from Ecclesiasticus, "Now let us praise great men the heroes of our nation. They led the people by their counsel and their knowledge of the laws. From their font of wisdom, they gave instruction. These are godly men whose righteous deeds have not been forgotten. Their wealth is their descendants and their inheritance is their children's children. Their bodies are buried in peace and their names will live forever. The people will tell of their wisdom and the congregation will continue to sing their praise."

I want to praise Walter as a patriot and a patriarch. He loved America and served his country his entire life. In the Air Force in World War II, as a civic leader, and as a philanthropist, he worked to strengthen our Nation.

Walter knew that our democracy depended on people having a chance to get ahead. In that respect he was a democrat with the small "d." He practiced this in his professional life and advocated this as public policy, and in that respect he was a Democrat with a capital "D." It was also part of his family tradition. He always smiled with pride talking about Hyman Shorenstein, his uncle, and the Democratic boss of Brooklyn for over 30 years. He even told me on a number of occasions that to cross Hyman, you might be "Shorensteined." In other words, it was a verb.

Walter understood how essential freedom of the press was to our democracy. With that in mind he founded the Joan Shorenstein Center for Press, Politics and Public Policy. He brought together great minds on the subject and honored Joan's understanding on the relationship between the press, at which she excelled, and power, which she covered.

Walter understood power and was an advisor and friend to Democratic Presidents Lyndon Johnson, Jimmy Carter and Bill Clinton. He was also a friend and advisor to many who aspired to be president, too numerous to mention.

He had a special relationship with Secretary Hillary Clinton, and Ted Kennedy was family. His leadership was acknowledged and praised by President Barack Obama.

Much has been said about how generous Walter was financially to political causes. He was also a great intellectual resource and mentor. He was politically astute and his views were respected.

My colleagues in Congress, such as Congressman GEORGE MILLER, Congresswoman ANN ESHOO, Congressman JOHN GARAMENDI often spoke of how prepared you had to be when you went to visit Walter. You always left with words of wisdom, and assigned reading.

Walter wasn't always easy. He was very competitive. We always knew that on our visits and our phone calls, we'd be challenged. And the most annoying part was that Walter was always right.

Walter was successful because he was smart and he was always ready for the task ahead. When we would ask him what he thought about bringing the Democratic Convention to San Francisco, my running for Congress or for leadership, Walter would say, "Just do it." Walter coined that phrase well before Nike did. And when Walter said "just do it," he would also say, "I will help make it happen." You knew you would succeed with Walter at your side.

Walter was a patriarch to the community, but what mattered most to him was to be a devoted father to his family. Today as we pay tribute to Walter, we must also remember Phyllis and her quiet, dignified, and strong demeanor. If anyone wanted to see the powerful Walter Shorenstein melt, they just needed to see him around Phyllis.

Everyone knows how much he loved his children: Joan, Carole, and Doug, and he glowed with pride in their success. They honored their parent's traditions, which included making their own extraordinary mark on the world. And he loved his grandchildren Sarah, Wally, Grace, Brandon, Sandra and Danielle. What a great legacy you all are to Phyllis and Walter.

Walter Shorenstein died as he had lived: surrounded by his family and loved ones, in charge of his own situation, and ready. Now that he has passed, we take comfort that his spirit is with Joan and Phyllis.

Patriot, patriarch, especially family man and friend, today Walter Shorenstein is mourned and praised across the country. But he is especially mourned in the community of San Francisco, where we knew him the best and loved him the most. He had a wonderful life. May he rest in peace.

#### HONORING MR. LEONARD M. SCIOLINO

#### HON. BRIAN HIGGINS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. HIGGINS. Madam Speaker, I rise today to honor and congratulate the work of Leonard

M. Sciolino upon his retirement as Director of the City of Buffalo's Division of Parking Enforcement.

A very good friend, Lenny has had a long and successful career in public service. Lenny started as a staffer at the Buffalo Common Council, serving under then-Council President George K. Arthur. It was in this position that I came to know Lenny well, as he served as a council staffer during my full tenure as South District Councilmember, from 1988 to 1993.

Following the successful election of Tony Masiello as Mayor of Buffalo, Lenny was appointed to his current position, where he has been the architect of many technological advances.

As a member of the International Parking Institute Lenny has participated in numerous Central Business District Surveys and Parking Studies citywide and nationally. In addition, Lenny pursued and implemented numerous technological changes in his department, including Optical Imaging and Scanning and solar-powered pay stations with radio frequency.

Active in the Democratic Party for many years, Lenny has served as a committeeman, a city Zone Chairman, and has involved himself in dozens of local campaigns.

Lenny has many things for which he is very proud, but his proudest accomplishments are those involving his family. Lenny and his wife Linda are the parents of sons Lenny III, and Kevin, and are proud grandparents of four grandchildren, Lenny IV, Milena and Francesca, and Jack.

Madam Speaker, I hope that you and our colleagues in the House will join me in wishing Godspeed to Len Sciolino upon the occasion of his retirement, and wishing Len, Linda and the entire Sciolino family the best of health in the months and years to come.

#### HONORING RICK ALGERT UPON HIS RETIREMENT

#### HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mrs. CAPPS. Madam Speaker, today I rise to pay tribute to Rick Algert on the occasion of his retirement after 20 years as Harbor Director and Harbormaster for the City of Morro Bay. He is truly an asset to our local community and his excellent work is reflected in Morro Bay's Harbor.

Mr. Algert has spent much of his life on the coast and in the City of Morro Bay. He grew up in Fallbrook, California and came to Morro Bay from the City of Eureka. Prior to that he lived in the City of Santa Barbara, where he attended the University of California and received a degree in Business. Rick and his wife Nancy have three children; Bridgett, Paul and Jamie.

Mr. Algert is deeply familiar with the workings of Morro Bay. He has been involved with

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



almost every essential aspect of the Harbor's functioning over the last two decades. He was responsible for developing and implementing several major projects in the Harbor, including the reconstruction of the South T-Pier, rebuilding the Beach Street slips, dredging the City Mooring area, the North T-Pier re-decking project, and the Fisherman's Gear Storage building.

Mr. Algert has also been the voice of the Harbor and has been its tireless advocate at the local, state and federal levels. He has been instrumental in keeping the City Council abreast of important issues like economic development and federal dredging dollars. And he was a consistent advocate for our local fishing families, representing their views at meetings throughout the country. Finally, he maintained a balanced budget and aimed to provide the highest level of service and efficiency from the Harbor Department and Harbor Patrol, and he did so with no revenue derived from taxes, which stands as a testament to his skill as a public servant.

I commend Mr. Algert's gift of talent, passion, and his devotion to service. His work has been central to helping our waterfront communities flourish in difficult times. I feel deeply honored to share this community with Rick Algert and I have seen first hand the effect of his work on Morro Bay. I wish him much happiness and much deserved relaxation in retirement, knowing fully that he will remain deeply connected to our community, its businesses, Harbor tenants and boat owners.

#### DEMOCRACY IS STRENGTHENED BY CASTING LIGHT ON SPENDING IN ELECTIONS ACT

SPEECH OF

**HON. CAROLYN B. MALONEY**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 24, 2010*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 5175) to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes:

Mrs. MALONEY. Mr. Chair, I rise in support of H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections, or DISCLOSE Act. This legislation addresses serious concerns raised by the recent Supreme Court ruling in *Citizens United v. FEC* by increasing transparency in our electoral process. My colleague from Maryland, Mr. VAN HOLLEN, and my fellow New Yorker, Senator SCHUMER deserve thanks for their leadership on this issue.

The recent Supreme Court ruling grants even greater influence to powerful special interests—effectively drowning out the voices of average Americans. This legislation provides voters with the opportunity to make informed decisions—shedding light on the millions of dollars being spent with the intent to influence elections and politicians in Washington.

The DISCLOSE Act eliminates “pay-to-play” by preventing government contractors—and

TARP recipients—from spending money on elections. The bill extends the current ban on political spending by foreign nationals to include domestic corporations controlled by foreign nationals, requires corporate CEOs to stand by their political ads in the same way candidates must, and enhances disclosure requirements for political expenditures by organizations who lobby government officials.

The legislation before us today is not a perfect bill, but it is a necessary first step to rein in the influence of special interests in our political process. The American people are greatly concerned by the recent Supreme Court ruling, and they rightly fear that only big money and special interests get a hearing in Washington. Passage of the DISCLOSE Act will bring transparency and accountability to campaigns and ensure Americans' voices are not drowned out by corporate dollars.

I urge my colleagues to support this bill.

#### RECOGNIZING THE 125TH ANNIVERSARY OF THE INCORPORATION OF ADDISON, ILLINOIS

**HON. PETER J. ROSKAM**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. ROSKAM. Madam Speaker, I rise today to commemorate the 125th anniversary of the incorporation of Addison, Illinois, in the heart of my Congressional District.

In 1883, the Village of Addison was settled by Hezekiah Dunklee and Mason Smith. In 1884, Addison was incorporated, and Henry Buchholz became its first Mayor. The election had a modest turnout, with only 28 votes being cast.

In the years since its humble founding, Addison has become a center of culture and commerce, serving as a home to businesses, professionals, churches and organizations that have made this a vibrant and thriving community. Over the years, Addison has developed a well-deserved reputation as an enjoyable place to live, work and raise a family.

On the occasion of this 125th anniversary, we join together to celebrate Addison's legacy of growth and prosperity, and to look ahead to the opportunities the future holds for our local community and our Nation. Today both marks 125 years of working together to build a brighter future, and reminds us that our work continues.

Madam Speaker and Distinguished Colleagues, please join me on this special occasion in offering well wishes and happiness to Addison Village President Larry Hartwig, the Village Board of Trustees and all the citizens of Addison.

#### KUWAIT AND GULF LINK TRANSPORT COMPANY (KGL)

**HON. TIM RYAN**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. RYAN of Ohio. Madam Speaker, as you know, the issue of negligence by Kuwait and Gulf Link Transport Company (KGL) was brought to my attention by the family of the

late Colonel Dominic (Rocky) Baragona. The tragic death of Lieutenant Colonel Dominic Baragona, Jr., occurred on May 19, 2003 on a road in Iraq. His death was caused by the simple, avoidable negligence of a tractor trailer truck owned by KGL, the predecessor company to an enormous group of international Kuwaiti companies, which have and continue to perform large U.S. government contracts potentially worth billions of U.S. dollars and with a vital mission. KGL's tractor trailer careened across three lanes of a highway in the middle of a clear, sunny day and destroyed the Humvee in which Colonel Baragona was riding. At the time of his death, Colonel Baragona had served honorably during Operation Iraqi Freedom and was on his way home to his family. KGL's subsequent conduct in the case brought against them led the Honorable William Duffey, Jr., the U.S. federal judge hearing the case, to write the following in his decision on the case:

“[A]s the Court communicated to the parties in the December 2008 hearing, KGL's conduct in this case was indignant and callous. KGL derived substantial revenue from its contracts with the United States Army. KGL and other Kuwaitis received unquantifiable benefits from the protection the United States Armed Forces have provided to Kuwait for over fifteen years. For KGL to then turn a blind eye to the death caused by a KGL employee of a United States service member, who was on duty protecting the region at the time of the incident, is an affront to the solemn sacrifices service members such as Lt. Col. Baragona honorably provided to Iraq and the citizens of other countries in the Middle East region. KGL took this callousness even further by causing Plaintiffs to expend nearly four years and significant expense in merely getting the question of jurisdiction before the Court. The Court implored KGL to work with Plaintiffs to fashion a just resolution in this case, but this request was ignored.”

I agree. The Baragonas commenced litigation, established a prima facie case of in personum jurisdiction over KGL and endured the personal rigors of the litigation. This burden includes giving testimony during a damages hearing, only to discover that KGL's apparent strategy was to cause the Baragona family to expend their resources for years. This despite the fact that KGL intended to challenge the judgment after it issued in the same court that KGL assiduously ignored during the years of litigation and several notices of the court case and its proceedings. The emotional burden borne by the family of the deceased serviceman was very high; the long years of litigation over their son's death in combination with the sudden entry of the defendant and the challenge to the judgment is not a cost that should be ignored or encouraged.

In the course of the Baragonas' quest for justice against KGL, the family gathered evidence from credible news reports and other sources that KGL has a subsidiary, Combined Shipping Company, which is a partner with ValFajr Shipping Company, a subsidiary of Islamic Republic of Iran Shipping Lines (“IRISL”), a company banned by the U.S. Treasury and now the named subject of the recently announced U.N. sanctions on Iran. We do not have any evidence that KGL's subsidiary has participated with IRISL in sending explosives into Iraq to kill US service personnel. However, it is often true that

proliferators of Iranian WMDs, like IRISL, are directed by the Iranian Revolutionary Guard Corps, which also controls the Iranian funding, training and provisioning of the insurgents in Iraq who have been killing and wounding U.S. service personnel with Iranian-manufactured explosives over the past several years. No U.S. government contractor, or any member of its corporate family doing any business with Iranian companies blacklisted by the U.N. and the U.S. Treasury, should be considered "responsible corporate parties" as defined by the Federal Acquisition Regulations. This section will force KGL and all U.S. contractors to decide whether they will support Iran or the U.S., and the Congress will closely monitor the enforcement of this section.

Treasury Under Secretary for Terrorism and Financial Intelligence Stuart Levey recently submitted written testimony before the Senate Foreign Relations Committee on "Iran Policy in the Aftermath of U.N. Sanctions". In this testimony he stated: "[w]e also took action under 13382 to prevent IRISL from carrying out activities to evade sanctions . . . Since we designated IRISL for sanctions in 2008, it has desperately attempted to evade those sanctions, setting up new front companies and renaming and even repainting ships to hide their true ownership."

Importantly, this section finally permits the Procurement Fraud Debarment Branch of the U.S. Army to take action against KGL. The Baragona family notified the Army of these facts on April 29, 2010. On June 11, 2010 the Army sent a letter to the counsel for the Baragonas to notify them of the Army's receipt of the information but no action has yet been taken. I would appreciate this body's interest and support in compelling the Army to move to debar KGL as a result of its ties to Iranian proliferators of weapons of mass destruction. For the above reasons, this miscarriage of justice and threat to our national security cannot be allowed to continue.

#### A TRIBUTE TO BEL BRANDS USA

### HON. BRETT GUTHRIE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. GUTHRIE. Madam Speaker, I rise today to honor Bel Brands USA and its Leitchfield plant located in the Commonwealth of Kentucky. This month, Bel Brands USA, which specializes in the creation and production of quality cheeses, is celebrating its 40th Anniversary.

In 1970 the company established a plant in Leitchfield, Ky., and has been manufacturing quality cheese products ever since. Bel Brands USA's Leitchfield facility is a prominent employer in Grayson County and is expected to produce 33,800,000 pounds of cheese this year.

The plant has grown exponentially since its establishment 40 years ago. Currently, the plant employs 370 individuals between two production departments and covers an area of almost 190,000 square feet.

Bel Brands USA and its Leitchfield facility have remained committed to hard work and creativity. With 25 production sites worldwide, Bel Brands USA promotes their core values in the workplace and throughout the community.

Ethics, innovation, competence, cohesion and enthusiasm have contributed to the company's many accomplishments.

The entire Grayson County community is grateful for Bel Brands USA's continued presence, support and generosity.

I ask my colleagues to join me in honoring the employees of Bel Brands USA. I am proud to represent them here in Washington and look forward to their continued success.

#### IN HONOR AND RECOGNITION OF MR. AND MRS. SGRO

### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of Albert and Vera Sgro as they celebrate their platinum wedding anniversary on June 29, 2010.

Seventy years of marriage is a truly remarkable accomplishment; in this time they have raised two sons, been grandparents to four children and now have four great-grandchildren. Except for eight years on a farm in Medina, Mr. and Mrs. Sgro have always lived in Cleveland. Mr. Sgro's parents emigrated from Italy and Mrs. Sgro's ancestors hail from Bohemia. They attended Cleveland schools, met at a dance, and have been inseparable ever since. They continue to be the hearts and souls of their family and remain active in the lives of their children, David and his wife Louise, Jerry and his wife Heather; their grandchildren, David, Shelly, Max and Anthony; and their great-grandchildren, Brittney, Jeremy, Alex and Nicholas.

Mr. and Mrs. Sgro live life with great energy, enthusiasm and joy. They are kind, generous, outgoing and have a great sense of humor. Like any couple of seventy years they also share many interests: gardening, traveling and reading to name a few. Every year, Mr. and Mrs. Sgro grow enough fresh vegetables and flowers for themselves, their children, friends and neighbors. Mrs. Sgro is an excellent cook and baker; she is well known locally for her pies—especially her rhubarb pie, which she makes with rhubarb straight from their garden.

Madam Speaker and Colleagues, please join me in honoring, recognizing and celebrating Albert and Vera Sgro as they reach their platinum wedding anniversary. Their ongoing love for each other, and for their family and friends, acts as a beacon of hope. I wish Mr. and Mrs. Sgro continuing health, happiness and peace.

#### RECOGNIZING THE DEDICATION AND LEADERSHIP OF DR. SALLY RIDE

### HON. ALAN GRAYSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. GRAYSON. Madam Speaker, I rise today to honor the amazing accomplishments and life-long dedication of Dr. Sally Ride on the anniversary of the 1983 Challenger journey that established her as the first American woman to travel into space. Since that jour-

ney, Dr. Ride, a distinguished educator and scientist, has dedicated her life to improving science education.

Dr. Ride received her bachelor's degree, Master's and PhD in Physics from Stanford University. In the Stanford University paper, she saw an advertisement that NASA was seeking astronauts. Out of thousands of applicants, she was one of 35 candidates chosen for the space program. On June 18, 1983, Dr. Ride joined the crew aboard the space shuttle Challenger and, twenty-seven years ago on this date, became the first American woman to travel into space. After two journeys to space, she was preparing for her third mission when the Challenger exploded in 1986. Dr. Ride continued to work with NASA by serving as a member of the Presidential Committee investigating the Challenger accident, and went on to serve as Special Assistant to the Administrator for long-range planning at NASA headquarters.

Dr. Ride continued her life-long commitment to promoting the fields of science, math, and technology, especially among young women by founding the Sally Ride Science Company in 2001. Dr. Ride wanted to share her passion and encourage young women to pursue careers in these fields. The company creates school programs and educational materials aimed at engaging young people's interest in these fields and changing society's perceptions of women in the math, science, and technology workforce.

Madam Speaker, Central Florida is so proud of the space program and we recognize that its success would not be possible without the dedication of Dr. Ride. As a member of the Science and Technology committee, I have great respect and admiration for her contributions, not only to the space program, but also her work to motivate young people's interest in science. While Dr. Ride will always be known as the first American woman to travel into space, her commitment to advancing the education of future generations of young women ensure there will be many to follow.

#### DEMOCRACY IS STRENGTHENED BY CASTING LIGHT ON SPENDING IN ELECTIONS ACT

SPEECH OF

### HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 24, 2010*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 5175) to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes:

Mr. LANGEVIN. Mr. Chair, I rise in support of H.R. 5175, the Democracy Is Strengthened by Casting Light On Spending in Elections (DISCLOSE) Act and I urge my colleagues to support this important bipartisan bill that will improve transparency and accountability in our federal elections. I would like to thank Chairman BRADY and Congressman VAN HOLLEN for their efforts to quickly move this bill to the floor.

I share the concern of many Rhode Islanders who were disappointed with the Supreme Court's decision in *Citizens United v. FEC*, which would allow corporations to fund political ads without disclosing their funding sources. Unfortunately, this could facilitate unlimited political spending by anonymous donors in campaigns across the nation, allowing special interests and corporations to go unchecked in our democratic process.

Contrary to some arguments that have been made on this Floor today, this bill does nothing to restrict free speech. It simply ensures that our citizens know who is speaking.

This legislation takes several critical steps to protect the integrity of our elections and shine light on who is funding campaign advertisements. First, it prohibits large government contractors, those with over \$10 million in contracts, from making campaign expenditures. The bill further bars those companies that received TARP funding from participating in federal campaigns until the government is repaid. Additionally, this bill ensures that foreign governments do not influence our elections by banning corporations controlled by foreign nationals from making campaign contributions and expenditures.

I am especially pleased that the DISCLOSE Act contains strong language to require CEOs to stand by their ads by requiring them to appear on camera to "approve the message," just as candidates do today. Additionally, top donors must be listed in ads so that individuals know exactly who is financing the message. Again, this does not curb the freedom to speak or advocate for an issue or candidate, it simply ensures transparency. Finally, this legislation requires corporations and other organizations to disclose campaign related expenditures to their shareholders, members, and on their websites.

While I am disappointed with the inclusion of an exemption for certain organizations, I believe that this bill takes an enormous step towards improving our laws to bring greater transparency and accountability to our nation's campaigns. As a former Secretary of State and a proud representative of Rhode Island, I believe free and fair elections are fundamental to our democracy, and I urge my colleagues to support the DISCLOSE Act.

#### NASA'S CONSTELLATION PROGRAM

**HON. RALPH M. HALL**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. HALL of Texas. Madam Speaker, I remain very concerned about the direction of our Nation's space agency under the Obama plan. This Administration has made the surprisingly drastic decision to cancel NASA's follow-on to, the space shuttle, the Constellation program. Constellation would provide the means to service and use the International Space Station, and once again explore beyond low earth orbit.

Canceling the Constellation program threatens our country with the potential loss of tens of thousands of highly-skilled and well-paid jobs. As important as jobs are right now, by canceling Constellation we stand to lose more than just jobs. We are losing American know-

how and expertise. The NASA contractor team is a national asset, one that would be difficult and costly to duplicate.

Next year with the retirement of the Space Shuttle, the U.S. will have no way to launch anyone into space. American astronauts and our international partners will have to hitch rides on Russian spacecraft, launched from a Russian base, to get into low earth orbit and visit the International Space Station. I do not think this is the best plan to maintain American preeminence in space.

I have fought hard here in Congress to defend NASA's budget so that they can perform meaningful work. Yet there seems to be a disturbing trend at NASA where priorities are shifted away from what I think should be their top goal—manned space exploration. Rather than focus on the vital elements necessary to maintain American leadership in space, the Obama administration and NASA are distracted with programs that seem to spend money on anything but human space flight.

Last week, the administration came forward with a request to transfer \$100 million out of NASA's already limited human space flight budget and give it to the Department of Commerce and the Department of Labor to fund an Interagency task force to spur "regional economic growth and job creation" aimed at helping Florida and other states bracing for job losses associated with the end of the space shuttle program. Our nation's best and brightest engineers and technicians want to be engaged in building rockets and spacecraft. America's space program already generates substantial amounts of regional economic growth. It does not make sense to kill a program that delivered huge returns on investment to create a government program to retrain and retool workers for some possible, undefined jobs in the future.

The announcement the cancellation of the Constellation program in favor of a \$100 million interagency task force, along with several other recently announced NASA initiatives, paints a broad picture of an agency without a clear mission.

NASA is a mission-driven organization that produces its best results with clearly defined goals and the resources to achieve them. With the retirement of the Space Shuttle and a plan to cancel the Constellation program, it is more important than ever that we work together to provide NASA with the legislative guidance it needs.

The men and women of our nation's human space flight program have given us so much to be proud of. Through their focus, sacrifice and dedication they have enabled the United States to be the global leader in human space flight. They have earned our respect and gratitude, and we should deliver a program that keeps them, and our nation, focused on leading the world in spaceflight.

#### DEMOCRACY IS STRENGTHENED BY CASTING LIGHT ON SPENDING IN ELECTIONS ACT

SPEECH OF

**HON. VIRGINIA FOXX**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 24, 2010*

The House in Committee of the Whole House on the State of the Union had under

consideration the bill (H.R. 5175) to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes:

Ms. FOXX. Mr. Chair, in January 2010, the Supreme Court in *Citizens United v. Federal Election Commission* held that corporations and unions alike have the right under the First Amendment to speak out in political races. What that decision overturned was the portion of current law that allows political speech to be banned based on the speaker's corporate identity. The Supreme Court ruled that this ban is unconstitutional and violates the First Amendment right to free speech and I share this sentiment.

The Constitution clearly states "Congress shall make no law, abridging the freedom of speech." Upholding the Constitution and our freedoms does not in any way degrade our democratic process. The First Amendment has long been applied not only to isolated individuals but also to groups and associations whose members gather for a wide variety of purposes ranging from political to commercial.

Political speech is indispensable to decision-making in a republic and this is no less true because the speech comes from a corporation. If the government can ban expenditures related to political speech, it could easily apply that to any communication. In the argument before the Supreme Court, Deputy Solicitor General Malcolm Stewart even asserted that under current law the government has the authority to "prohibit the publication" of books and movies by corporations containing even one line of advocacy for or against a candidate for public office. That statement is chilling.

During the drafting of H.R. 5175, the so-called "DISCLOSE" Act, Democrats dismissed Republican requests to collaborate and wrote the bill behind closed doors. Due to lack of support for this unconstitutional bill, they were forced to pull it from consideration on at least two occasions. After weeks of opposition to this very bad bill which was opposed by the U.S. Chamber of Commerce, Citizens Against Government Waste and National Taxpayers Union, the Democrats were able to craft language acceptable to the NRA which then lifted its opposition because it became exempt from the bill. That action alone violates what the Supreme Court said which is that all groups must be treated the same.

The DISCLOSE Act's effort to limit political speech is not even-handed, those favored by the Democrats are excluded from the requirements, and it encourages partisan advantages. But the bill is more than inequitable treatment; it is an outright attack on free speech and the First Amendment. It is government censorship and I oppose H.R. 5175.

#### IN HONOR OF REVEREND RICHARD W. JONES

**HON. JOHN H. ADLER**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. ADLER of New Jersey. Madam Speaker, I rise today to honor the life of Reverend

Richard W. Jones, a longtime resident of Willingboro, New Jersey who recently passed away at age 85. Reverend Jones was a true leader in the community serving as Sheriff's Officer in Burlington County for 24 years and the inspirational Pastor of Tabernacle Baptist Church for 49 years. He was also a loving husband, of 52 years, to his wife, Ethel.

While Reverend Jones was conferred with a doctorate of human letters from Thomas Edison State College in 2001, perhaps his greatest legacy will remain his work at Tabernacle Baptist Church. His hard work and enduring faith led to the completion of his church's sanctuary and the expansion of the education wing in 1995, which is rightfully named the R. W. Jones Family Life Center. He was also responsible for the expansion of his church's multipurpose room, that included a gymnasium, aerobics room, locker room, cafeteria, and banquet room which was dedicated in 2008 as Unity Hall.

Reverend Jones was a humble man who affected not only the people in his congregation but those he met throughout his life. During his pastorship, he ordained more than 60 deacons and provided guidance to thousands of local residents.

Madam Speaker, please join me in honoring a man whose life serves as a role model to many people and whose church will continue his legacy for a long time to come.

IN HONOR OF CONSUL GENERAL  
JANJA ZMAUC OF SLOVENIA ON  
THE OCCASION OF SLOVENIAN  
STATEHOOD DAY

**HON. DENNIS J. KUCINICH**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of the Consul General from the Republic of Slovenia, Mr. Jure Zmauc, and his wife, Mrs. Janja Zmauc, on the occasion of Slovenian Statehood Day celebrated annually on June 25th.

In 2009, Mr. Jure Zmauc, Mrs. Janja Zmauc, daughter Nika and son Aljaz moved from Slovenia to Cleveland. Mr. Zmauc served there for four years as a foreign diplomat representing the largest Slovenian population in the world outside of Slovenia. Mr. Zmauc's responsibilities in the United States include developing educational, business and tourism ties for Slovenia and supporting Americans of Slovenian heritage throughout Northeast Ohio.

The twenty-fifth of June is Slovenian Statehood Day, an annual celebration of Slovenia's independence and the sovereignty it gained in 1991. It is a commemoration of the struggles and triumphs of the people of Slovenia. It also serves as an opportunity for residents of Northeast Ohio to celebrate the customs, traditions and contributions of Slovenian Americans to our community.

Madam Speaker and colleagues, please join me in recognition and welcome of Consul General Janja Zmauc and his family. Their representation of Slovenia in our community connects our communities and our nations—from the shores of Lake Erie to the Adriatic Sea.

PERSONAL EXPLANATION

**HON. PETER J. VISCLOSKY**

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. VISCLOSKY. Madam Speaker, on the evening of Wednesday, June 23, 2010, and on Thursday, June 24, 2010, I was absent from the House and missed rollcall votes 382 through 394.

Had I been present for rollcall 382, on a motion to suspend the rules and pass, as amended, H.R. 5481, To give subpoena power to the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling, I would have voted "aye."

Had I been present for rollcall 383, on a motion to suspend the rules and pass, as amended, H.R. 3993, the Calling Card Consumer Protection Act, I would have voted "aye."

Had I been present for rollcall 384, on a motion to suspend the rules and agree to H. Res. 1388, Supporting the goals and ideals of National Hurricane Preparedness Week, I would have voted "aye."

Had I been present for rollcall 385, on ordering the previous question for H. Res. 1468, Providing for consideration of H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, and for other purposes, I would have voted "aye."

Had I been present for rollcall 386, on agreeing to H. Res. 1468, Providing for consideration of H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, and for other purposes, I would have voted "aye."

Had I been present for rollcall 387, on a motion to suspend the rules and agree to H. Con. Res. 285, Recognizing the important role that fathers play in the lives of their children and families and supporting the goals and ideals of designating 2010 as the Year of the Father, I would have voted "aye."

Had I been present for rollcall 388, on agreeing to the amendment, King of Iowa Amendment No. 2 to H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, I would have voted "no."

Had I been present for rollcall 389, agreeing to the amendment, Patrick Murphy of Pennsylvania Amendment No. 5 to H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, I would have voted "aye."

Had I been present for rollcall 390, on a motion to recommit with instructions H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, I would have voted "no."

Had I been present for rollcall 391, on passage of H.R. 5175, the Democracy is Strengthened by Casting Light on Spending in Elections Act, I would have voted "aye."

Had I been present for rollcall 392, on a motion to suspend the rules and agree to H. Res. 1464, Recognizing the 50th anniversary of the conclusion of the United States-Japan Treaty of Mutual Cooperation and Security and expressing appreciation to the Government of Japan and the Japanese people for enhancing peace, prosperity, and security in the Asia-Pacific region, I would have voted "aye."

Had I been present for rollcall 393, on a motion to suspend the rules and concur with the

Senate amendments to H.R. 3962, To provide affordable, quality health care for all Americans and reduce the growth in health care spending, and for other purposes, I would have voted "aye."

Had I been present for rollcall 394, on a motion to suspend the rules and agree to the conference report to H.R. 2194, the Comprehensive Iran Sanctions, Accountability, and Divestment Act, I would have voted "aye."

UNITED STATES SECRET SERVICE  
UNIFORMED DIVISION MOD-  
ERNIZATION ACT OF 2010

SPEECH OF

**HON. HENRY C. "HANK" JOHNSON, JR.**

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 28, 2010*

Mr. JOHNSON of Georgia. Mr. Speaker, I rise today to express my support for S. 1510, the United States Secret Service Uniformed Division Modernization Act. I support the underlying bill but I want to highlight language that would allow the Department of Defense to waive, on a case by case basis, repayment of Voluntary Separation Pay for certain individuals. I worked on this issue during the National Defense Authorization Act markup and am pleased that the House will approve this important language within this bill.

Many individuals, who had voluntarily retired, responded to their country's call and returned to service at DOD following 9/11, and several more returned following Hurricane Katrina. According to the House Armed Services Committee, an estimated 22 individuals would benefit from this language in my home State of Georgia, and an estimated 40 individuals would benefit across the nation.

Current law allows the Department of Defense to offer voluntary separation incentive pay for individuals to voluntarily retire. If an employee receives this separation pay and returns to federal service within 5 years, the individual must repay the amount received—unless the individual is considered to be the only qualified applicant available for the position. Before being rehired, these individuals were assured that they would not have to repay the VSIP—because their country needed them. This language provides short-term, limited authority to the Secretary of Defense to waive on a case-by-case basis repayment of the separation pay.

This limited, case-by-case waiver authority, meets the objectives of the Civilian Human Resources Strategic Plan to: "provide effective policies and programs related to stability of employment that support management's ability to restructure organizations while retaining needed skills of affected employees and accommodating their needs in an efficient and humane manner."

Passage of this bill, with this language, will ensure that those heroic Americans, who responded to their country's call to duty, are not penalized. I urge my colleagues to support this bill.

CONGRATULATING JEFF  
THEERMAN

## HON. RUSS CARNAHAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. CARNAHAN. Madam Speaker, I rise today to congratulate Jeff Theerman, the Executive Director of the Metropolitan St. Louis Sewer District, on his election as the new President of the National Association of Clean Water Agencies (NACWA).

For over twenty-five years, Mr. Theerman has served St. Louis through his work at the Metropolitan St. Louis Sewer District. During his tenure with the Metropolitan St. Louis Sewer District, he has demonstrated that he is an accomplished leader and committed environmental steward continuously working to improve the public health of the St. Louis region. In October of 2003, Mr. Theerman became the Executive Director, ably accepting the accountability of the organization's operations.

Since joining others in the founding of the NACWA forty years ago, the Metropolitan St. Louis Sewer District has benefitted from its active engagement with the organization. A member of the NACWA's Board of Directors since 2004, Mr. Theerman has served as the organization's Secretary, Treasurer, and Vice President. I find it fitting that his election as President coincides with the 40th anniversary of the NACWA's advocacy on behalf of the Nation's clean water agencies and the environment we all value so much.

It is my sincere pleasure to congratulate Mr. Theerman on becoming the President of NACWA. I am certain his dedication to his work will bring continued progress to proactively and effectively addressing the complex 21st century water quality challenges we face in St. Louis and the Nation.

There is no doubt in my mind that Mr. Theerman is the ideal leader for the National Association of Clean Water Agencies, NACWA.

## A STRONG VOICE AGAINST DISCRIMINATION OF ALL SORTS

## HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. FRANK of Massachusetts. Madam Speaker, I was very proud in the 70's to show my support for appropriate bipartisanship by supporting and working closely with Senator Ed Brooke, who was twice elected to the Senate as a Republican and was a staunch fighter against discrimination, for strong support for rental housing for low-income people, and in general for fiscal responsibility within the context of social concerns. I was therefore very pleased, but not at all surprised, to read in the Boston Globe on June 22, 2010 a strong expression of support for repeal of the "don't ask, don't tell" policy, which has discriminated against so many patriotic Americans seeking to serve their country. Senator Brooke notes that he himself was the victim of discriminatory policies when he served in a segregated U.S. Army in World War II, and as an African American, was treated unfairly. He does affirm

that there are differences in the effect of the policies and the impact they have between racial segregation and "don't ask, don't tell," but as he says after discussing the experience of racial segregation, "The point is that the ban (on gay and lesbian members in the military) is a weapon and expression of prejudice—no more excusable than any other discriminatory law."

Consistent with his lifelong record of fighting for fairness in America, Senator Brooke closes the article by saying, "If I was still in the Senate, I would vote to show my respect for the sacrifices of all soldiers—gay and straight. Congress should repeal this legislation and score another victory of progress over prejudice."

Madam Speaker, I was proud to stand with Ed Brooke in the 70's and I am very proud that he is standing with those of us who are fighting for fairness today.

## IN TRIBUTE TO JIM MEREDITH

## HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. GALLEGLY. Madam Speaker, I rise in tribute to Jim Meredith, who has retired from the Rancho Simi Recreation and Park District Board of Directors in Simi Valley, California, after 28 years.

Jim was Chairman of the Board in 1984, 1991, 1994, 1995, 1999, 2003 and 2008. He was Vice Chairman in 1990, 1993, 1998, 2002 and 2007. In addition, he was President of the Ventura County Special District Association for 10 years, President of the State Board of the California Association of Recreation and Park Districts in 1991 and 2004, President of the California Special Districts Association Board of Directors, member of the Santa Monica Mountains Conservancy Board Liaison Committee, etc., etc. etc.

It's easy to see why Jim is known around town as "Mr. Parks and Rec."

While Jim was on the board, the District budget increased from \$3.5 million to \$16 million, 303 acres of park land were developed and an additional 3,820 acres of land was acquired. Since Jim's first election, the District has added 37 parks to the system and 11 after-school clubs.

Jim was instrumental in nearly every one of the district's expansion decisions during those years. As someone who was a professional baseball player and involved in youth baseball, the Royal High School girl's softball program, adult women's softball program, co-ed softball, youth football, the Simi Valley High School and Royal High School football programs, semi-pro football, soccer programs and the Boy Scouts, Jim has an intimate knowledge of what the community's recreation needs are and how to fill them.

As a result of his vision and dedication, Jim has been recognized with the Founder's Award from the Ventura County Special Districts Association; Board Member of the Year from the California Association of Recreation & Park Districts; 2002 Board Member of the Year from the American Park & Recreation Society; and the 2002 Meritorious Service Citizen Award from the American Park & Recreation Society.

In addition to his recreational activities, Jim is a member of Disabled American Veterans, Simi Valley Chamber of Commerce, Kiwanis Club, Simi Valley Historical Society and the Simi Valley Christian Foundation for Homeless.

Jim also found the time to be a husband, father and grandfather during those years. He and Amy have been married for more than 50 years and have five children and numerous grandchildren.

Madam Speaker, the mark James L. Meredith leaves on Simi Valley and Oak Park—the communities the Rancho Simi Recreation and Park District serves—is both deep and enduring. I know my colleagues join me in thanking Jim for his tireless dedication to his community and in wishing him and Amy great joy in their retirement.

## CONGRESSIONAL BLACK CAUCUS HOUR

SPEECH OF

## HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 28, 2010*

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, let me begin my thanking my friend and colleague, the gentlewoman from Ohio, Congresswoman FUDGE, for anchoring once again tonight's Congressional Black Caucus' special hour.

This Congress and President Obama have made tough choices and taken effective steps to bring our economy back from the brink of disaster. The Recovery Act has already saved or created up to 2.8 million jobs and much of the TARP funding repaid. Now we are taking another key step forward with a final agreement on the Dodd-Frank Wall Street Reform and Consumer Protection Act.

For many months now, members of the Congressional Black Caucus continue to be laser focused on financial reform. We have sought to engage the Obama administration, House and Senate leadership, committee chairs, and our coalition partners to develop a legislative strategy aimed at addressing the needs of millions of Americans who are struggling in this tough, economic environment.

Mr. Speaker, we must reform Wall Street to end risky practices that have caused millions of Americans to lose their jobs, their homes, and life savings. The House passed a financial reform bill that will protect consumers and prevent the irresponsible behavior that caused the financial melt down.

I was proud to join a majority of my colleagues in this body in supporting passage of Wall Street. We are committed to protect American families and their savings.

We ended the practice of "too big to fail." We established safeguards to ensure that the abuses of the past are never again repeated. Mr. Speaker, the House made Wall Street reform a priority.

Every day of delay is one more opportunity for a recurrence of economic uncertainty and even collapse. Last Thursday's roller coaster on the stock market was a clear reminder that we cannot allow a willful lack of responsible oversight to expose American families, American business, and our whole economy to such potential risk.

Mr. Speaker, Members of Congressional Black Caucus continue to support the efforts to reform Wall Street.

HONORING DR. JEFF KIMPEL

**HON. JOHN SULLIVAN**

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. SULLIVAN. Madam Speaker, it is with great pleasure that I rise today to honor Dr. Jeff Kimpel for his service as the Director of the National Oceanic and Atmospheric Administration's (NOAA) National Severe Storms Laboratory (NSSL), in Norman, Oklahoma, and for his thirteen years of Federal service.

Dr. Jeff Kimpel has been a lifeline for the NSSL for the last thirteen years; he has led the program to further research opportunities and the results have showed nothing but excellence. Dr. Kimpel has allowed the NSSL to embark upon many programs and technological advancements, saving countless lives and property from the consequences that severe weather can cause. Under the watch of Dr. Kimpel, the NSSL performed the scientific and technological research that upgraded the Next Generation Weather Radar to an open systems operation. Along with this, super resolution capability and designed dual polarization upgrades were added.

The NSSL has been able to upgrade and expand their programs, establishing strong programs and cloud resolving and numerical forecast models, all under the watch of Dr. Kimpel. He was also instrumental in gaining support for new facilities, which sprung the construction of the National Weather Center, which shares space with the National Weather Service and the University of Oklahoma Meteorology Program.

Dr. Kimpel has a perseverance that goes far beyond the field of meteorology. He is dedicated to NSSL but has also achieved so much more, such as serving our nation in Vietnam and being awarded the Bronze Star Medal for his bravery and courage and being named as the Senior Vice President of the Norman Campus of the University of Oklahoma.

Dr. Kimpel, I commend and congratulate you on your noteworthy contributions that you have made to our Nation, the state of Oklahoma, the University of Oklahoma and to the field of meteorology.

EAST ROWAN BASEBALL TEAM  
WINS IT ALL

**HON. HOWARD COBLE**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Mr. COBLE. Madam Speaker, on behalf of the citizens of the Sixth District of North Carolina, we wish to extend our congratulations to the East Rowan baseball team for winning the North Carolina High School Athletic Association's 3-A state championship. The title capped off a record-setting 31–2 season. It was a matter of redemption for many of the players after making deep runs into the playoffs and being knocked out the last two seasons.

The team's resilience mirrors the work ethic of its Head Coach Brian Hightower. East Rowan won the State Championship series by sweeping Wilson Hunt High school two games to none. Coach Hightower focuses on pitching and defense but we are sure he wasn't complaining too much with the 15–10 final of the championship series. Star pitcher William Johnson got the win for the Mustangs and concluded a brilliant postseason record with zero earned runs in 20 innings pitched. Centerfielder Will Sapp was named MVP of the series and had two doubles in the final game.

It took the combined effort of the team, coaches and support from the East Rowan faithful to make this championship dream a reality. The championship team members included: Will Johnson, Parker Gobbel, Thomas Allen, Bradley Robbins, Alex Bost, Curtis Ward, Andy Austin, Justin Morris, Preston Troutman, Noah Holmes, Avery Rogers, Chase Hathcock, Jamey Blalock, Wesley Leroy, Will Sapp, Chris Jacobs, Luke Thomas, Nathan FullBright and Alex Morgan. The coaching staff was led by Head Coach Hightower, with pitching coach Brian Hatley, assistant coaches John McNeil, Matt Miller and statistician Andrew Poston. The East Rowan Athletic Directors Chad Mitchell and Gina Talbert also helped support the championship run. The guidance from school Principals Kelly Sparger, Rick Vanhoy, Debra Murphy and Grayson Hampton also assisted the team.

Again, on behalf of the Sixth District of North Carolina, we would like to congratulate the East Rowan baseball team, the faculty, staff, students, and fans for an outstanding championship season.

DEMOCRACY IS STRENGTHENED  
BY CASTING LIGHT ON SPENDING  
IN ELECTIONS ACT

SPEECH OF

**HON. PETER J. VISCLOSKY**

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 24, 2010*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 5175) to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes:

Mr. VISCLOSKY. Mr. Chair, I rise in support of H.R. 5175, and strongly believe that the legislation is vital to our democracy.

While I believe that personal speech should be protected by the First Amendment of the U.S. Constitution, I feel that corporate speech was never meant to be protected and extending Constitutional safeguards to it is corrosive to our democracy. By providing unprecedented transparency, H.R. 5175 goes a long way to hold corporations who participate in U.S. elections accountable to the American people.

At its core, H.R. 5175 protects the constitutional right of voters to know the identity of the organizations spending money to influence their elections and the sources of the money they are spending.

Without the establishment of strong new disclosure rules, the Supreme Court's decision in *Citizens United v. FEC* will give corporations incredible power to influence elections. That is why I believe that H.R. 5175 is necessary to ensure that people know who is trying to influence our country's elections.

I also believe that this legislation prevents those who should not interfere in our elections, such as corporations controlled by foreign interests, from doing so.

This legislation strikes the appropriate balance and I urge my colleagues to support this important measure.

IN MEMORY OF CHARLES  
LEGRAND LEWIS

**HON. CORRINE BROWN**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 29, 2010*

Ms. CORRINE BROWN of Florida. Madam Speaker, I rise at this time to honor the life of Charles Legrand Lewis. He was the father of a former Military Fellow in my office and current Army Lieutenant Colonel, Patrick Lewis. His father, Charles Legrand Lewis, at age 69, of Oceanside, California, died peacefully, Sunday, May 2, 2010, at Tri-City Medical Center, Oceanside, California, surrounded by his family.

He was born in Elizabethtown, North Carolina, on March 9, 1941, to the late Charlie Roundtree and Ada Mervell Lewis. Also preceding him in death was his brother, Harold Lewis.

Legrand, as he was known, graduated from Frederick Douglass High School in Baltimore, Maryland class of 1959, where he was an avid trumpet player in the school band. After graduation he attended a printing apprenticeship program at Westinghouse in Baltimore, where he began his 45-year commercial photographer career in the printing industry.

Legrand's career lead him to New York where he met his wife of over 40 years Bernice Lewis, of Wilson, North Carolina. They later moved to Philadelphia, Pennsylvania and then Willingboro, New Jersey, where they raised two children until they moved to Oceanside, California, where they prepared for retirement.

After retirement Legrand enjoyed wearing baseball caps and driving his convertible top down, no matter how cold or hot it was. He enjoyed his family and friends and was affectionately known as "Pop Pop" by his grandchildren. He also enjoyed meeting and sharing life stories with everyone he met. He always told a good story and was a kind and gentle man. He will be missed greatly by his family and everyone who knew him.

Legrand is survived by his wife, Bernice Lewis; brother, Frank Lewis, Baltimore, MD; sister Candy Woingust, Baltimore, MD; four children (two children from previous marriage), son, Andre Whitt, Los Angeles, CA; daughter, Lavern Whitt, Los Angeles, CA; son Patrick Lewis, Lorton, VA; daughter Stephanie Lewis, Philadelphia, PA; seven grandchildren; Jasmine Lewis, Dominique Lewis, Jade Lewis, Taj Whitt, Tyler Whitt, Freedom Lewis, Victorie Lewis; one great grandchild, J'leigh Lewis, and a host of nieces, nephews, and cousins.



# Daily Digest

## Senate

### Chamber Action

**Routine Proceedings, pages S5503–S5635**

**Measures Introduced:** Eight bills and three resolutions were introduced, as follows: S. 3543–3550, S. Res. 573–574, and S. Con. Res. 65. **Page S5538**

**Measures Reported:**

S. 3373, to address the health and economic development impacts of nonattainment of federally mandated air quality standards in the San Joaquin Valley, California, by designating air quality empowerment zones. (S. Rept. No. 111–218)

S. 1382, to improve and expand the Peace Corps for the 21st century, with an amendment in the nature of a substitute. (S. Rept. No. 111–219)

H.R. 4861, to designate the facility of the United States Postal Service located at 1343 West Irving Park Road in Chicago, Illinois, as the “Steve Goodman Post Office Building”.

H.R. 5051, to designate the facility of the United States Postal Service located at 23 Genesee Street in Hornell, New York, as the “Zachary Smith Post Office Building”.

H.R. 5099, to designate the facility of the United States Postal Service located at 15 South Main Street in Sharon, Massachusetts, as the “Michael C. Rothberg Post Office”.

S. 3465, to designate the facility of the United States Postal Service located at 15 South Main Street in Sharon, Massachusetts, as the “Michael C. Rothberg Post Office”. **Page S5536**

**Measures Passed:**

**Year of the Father:** Senate agreed to H. Con. Res. 285, recognizing the important role that fathers play in the lives of their children and families and supporting the goals and ideals of designating 2010 as the Year of the Father. **Page S5629**

**National Day of the American Cowboy:** Committee on the Judiciary was discharged from further consideration of S. Res. 554, designating July 24, 2010, as “National Day of the American Cowboy”, and the resolution was then agreed to. **Pages S5629–30**

**50th Anniversary of the Treaty of Mutual Security and Cooperation with Japan:** Committee on

Foreign Relations was discharged from further consideration of S. Res. 564, recognizing the 50th anniversary of the ratification of the Treaty of Mutual Security and Cooperation with Japan, and affirming support for the United States-Japan security alliance and relationship, and the resolution was then agreed to. **Page S5630**

**Providing for the Use of the Catafalque:** Senate agreed to S. Con. Res. 65, providing for the use of the catafalque situated in the Exhibition Hall of the Capitol Visitor Center in connection with memorial services to be conducted in the United States Senate Chamber for the Honorable Robert C. Byrd, late a Senator from the State of West Virginia. **Page S5630**

**Memorial Observances of Robert C. Byrd:** Senate agreed to S. Res. 574, relative to the memorial observances of the Honorable Robert C. Byrd, late a Senator from the State of West Virginia.

**Pages S5630–31**

**Measures Considered:**

**Small Business Lending Fund Act:** Senate began consideration of H.R. 5297, to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, after agreeing to the motion to proceed, taking action on the following amendments and motion proposed thereto:

**Pages S5511–24**

**Pending:**

Reid (for Baucus/Landrieu) Amendment No. 4402, in the nature of a substitute. **Page S5515**

Reid Amendment No. 4403 (to Amendment No. 4402), of a perfecting nature. **Page S5515**

Reid Amendment No. 4404 (to Amendment No. 4403), of a perfecting nature. **Page S5515**

Reid Amendment No. 4405 (to the language proposed to be stricken by Amendment No. 4402), to change the enactment date. **Page S5515**

Reid Amendment No. 4406 (to Amendment No. 4405), of a perfecting nature. **Page S5515**

Reid motion to commit the bill to the Committee on Finance with instructions, Reid Amendment No. 4407 (to the instructions on the motion to commit), in the nature of a substitute. **Pages S5515–16**

Reid Amendment No. 4408 (to the instructions (Amendment No. 4407) of the motion to commit), to change the enactment date. **Page S5516**

Reid Amendment No. 4409 (to Amendment No. 4408), of a perfecting nature. **Page S5516**

During consideration of this measure today, Senate also took the following action:

By 66 yeas to 33 nays (Vote No. 202), three-fifths of those Senators duly chosen and sworn, having voted in the affirmative, Senate agreed to the motion to close further debate on the motion to proceed to consideration of the bill. **Page S5515**

#### House Messages:

*American Jobs and Closing Tax Loopholes Act:* Senate resumed consideration of the amendment of the House of Representatives to the amendment of the Senate to H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, taking action on the following amendments proposed thereto: **Pages S5524–25**

Withdrawn:

Reid motion to refer in the amendment of the House to the amendment of the Senate to the bill to the Committee on Finance, with instructions, Reid Amendment No. 4388, to provide for a study. **Page S5524**

Reid (for Baucus) motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Baucus Amendment No. 4386 (to the amendment of the House to the amendment of the Senate to the bill), in the nature of a substitute. **Page S5524**

Pending:

Reid motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Reid Amendment No. 4425 (to the amendment of the House to the amendment of the Senate to the bill), in the nature of a substitute. **Page S5525**

Reid Amendment No. 4426 (to Amendment No. 4425), to change the enactment date. **Page S5525**

Reid motion to refer in the amendment of the House to the amendment of the Senate to the bill to the Committee on Finance, with instructions, Reid Amendment No. 4427, to provide for a study. **Page S5525**

Reid Amendment No. 4428 (to the instructions (Amendment No. 4427) of the motion to refer), of a perfecting nature. **Page S5525**

Reid Amendment No. 4429 (to Amendment No. 4428), of a perfecting nature. **Page S5525**

A motion was entered to close further debate on the motion to concur in the House amendment to the Senate amendment to H.R. 4213, the American Jobs and Closing Tax Loopholes Act, with Reid Amendment No. 4425, and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on cloture will occur on Thursday, July 1, 2010. **Page S5525**

During consideration of this measure today, Senate also took the following action:

Reid Amendment No. 4389 (to the instructions (Amendment No. 4388) of the motion to refer), of a perfecting nature, fell when Reid motion to refer in the amendment of the House to the amendment of the Senate to the bill to the Committee on Finance, with instructions, Reid Amendment No. 4388, to provide for a study, was withdrawn. **Page S5525**

Reid Amendment No. 4390 (to Amendment No. 4389), of a perfecting nature, fell when Reid Amendment No. 4389 (to the instructions (Amendment No. 4388) of the motion to refer), of a perfecting nature fell. **Page S5525**

Reid (for Baucus) Amendment No. 4387 (to Amendment No. 4386), to change the enactment date, fell when Reid (for Baucus) motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Baucus Amendment No. 4386 (to the amendment of the House to the amendment of the Senate to the bill), in the nature of a substitute, was withdrawn. **Page S5525**

#### Appointments:

*United States Commission on International Religious Freedom:* The Chair, on behalf of the President pro tempore, upon the recommendation of the Republican Leader, pursuant to Public Law 105–292, as amended by Public Law 106–55, and as further amended by Public Law 107–228, appointed the following individual to the United States Commission on International Religious Freedom:

Richard D. Land of Tennessee

**Page S5631**

**Printing of Robert C. Byrd Tributes—Agreement:** A unanimous-consent agreement was reached providing that tributes to Robert C. Byrd, late a Senator from West Virginia, be printed as a Senate document, and that Members have until 12 noon, Friday, August 6, 2010, to submit said tributes. **Page S5631**

**Robert C. Byrd Tributes—Agreement:** A unanimous-consent-time agreement was reached providing that on Wednesday, June 30, 2010, after any Leader time, there be a 2 hour period of morning business,

with Senators permitted to speak for up to 10 minutes each, and that during this period of time, Senators may offer tributes to the late Senator Robert C. Byrd.

Page S5631

**Removal of Injunction of Secrecy:** The injunction of secrecy was removed from the following treaty:

Mutual Legal Assistance Treaty with Bermuda (Treaty Doc. No. 111–6).

The treaty was transmitted to the Senate today, considered as having been read for the first time, and referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed.

Page S5631

**Petraeus Nomination—Agreement:** A unanimous-consent-time agreement was reached providing that on Wednesday, June 30, 2010, following morning business, Senate will begin consideration of the nomination of General David H. Petraeus, and that there be 20 minutes of debate with respect to the nomination, with the time equally divided and controlled between Senators Levin and McCain, or their designees; that upon the use or yielding back of time, Senate vote on confirmation of the nomination.

Page S5629

**Nominations Received:** Senate received the following nominations:

Norman L. Eisen, of the District of Columbia, to be Ambassador to the Czech Republic.

Scot Alan Marciel, of California, to be Ambassador to the Republic of Indonesia.

Terence Patrick McCulley, of Oregon, to be Ambassador to the Federal Republic of Nigeria.

Larry Leon Palmer, of Georgia, to be Ambassador to the Bolivarian Republic of Venezuela.

1 Marine Corps nomination in the rank of general.

Routine lists in the Air Force, Army, and Navy.

Pages S5632–35

**Messages from the House:**

Page S5535

**Measures Referred:**

Page S5535

**Measures Placed on the Calendar:**

Pages S5503, S5535

**Measures Read the First Time:**

Pages S5535, S5631

**Executive Communications:**

Pages S5535–36

**Executive Reports of Committees:**

Pages S5536–38

**Additional Cosponsors:**

Pages S5538–39

**Statements on Introduced Bills/Resolutions:**

Pages S5539–45

**Additional Statements:**

Pages S5534–35

**Amendments Submitted:**

Pages S5545–S5628

**Notices of Hearings/Meetings:**

Page S5628

## Authorities for Committees to Meet:

Pages S5628–29

**Privileges of the Floor:**

Page S5629

**Record Votes:** One record vote was taken today. (Total—202)

Page S5515

**Adjournment:** Senate convened at 10 a.m. and adjourned at 8:01 p.m., until 9:30 a.m. on Wednesday, June 30, 2010. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S5631.)

## Committee Meetings

(Committees not listed did not meet)

### BUSINESS MEETING

*Committee on Appropriations:* Committee announced Senator Lautenberg as interim Chairman of the Subcommittee on Homeland Security.

### NOMINATION

*Committee on Armed Services:* Committee concluded a hearing to examine the nomination of General David H. Petraeus, USA for reappointment to the grade of general and to be Commander, International Security Assistance Force and Commander, United States Forces Afghanistan, after the nominee testified and answered questions in his own behalf.

### BUSINESS MEETING

*Committee on Armed Services:* Committee ordered favorably reported the nomination of David H. Petraeus, USA for reappointment to the grade of general and to be Commander, International Security Assistance Force and Commander, United States Forces Afghanistan, and 3,839 nominations in the Army, Navy, Air Force, and Marine Corps.

### BUSINESS MEETING

*Committee on Banking, Housing, and Urban Affairs:* Committee ordered favorably reported an original bill entitled, "Public Transportation Safety Act of 2010".

### NOMINATIONS

*Committee on Foreign Relations:* Committee concluded a hearing to examine the nominations of Rose M. Likins, of Virginia, to be Ambassador to the Republic of Peru, and Peter Michael McKinley, of Virginia, to be Ambassador to the Republic of Colombia, both of the Department of State, Mark Feierstein, of Virginia, to be an Assistant Administrator of the United States Agency for International Development, and Mimi E. Alemayehou, of the District of Columbia, to be Executive Vice President of the Overseas Private Investment Corporation, after

the nominees testified and answered questions in their own behalf.

### PUBLIC HEALTH SERVICE ACT

*Committee on Health, Education, Labor, and Pensions:* Committee concluded a hearing to examine the continuing needs of workers and communities affected by 9/11, including S. 1334, to amend the Public Health Service Act to extend and improve protections and services to individuals directly impacted by the terrorist attack in New York City on September 11, 2001, after receiving testimony from Senator Gillibrand; John Howard, Director, National Institute for Occupational Safety and Health, Centers for Disease Control and Prevention, Department of Health and Human Services; James Melius, New York State Laborers' Health and Safety Trust Fund, Albany; and David Prezant, and Martin Fullam, both

of the New York City Fire Department, and Margrily Garcia, all of New York, New York.

### NOMINATION

*Committee on the Judiciary:* Committee continued hearings to examine the nomination of Elena Kagan, of Massachusetts, to be an Associate Justice of the Supreme Court of the United States, after the nominee testified and answered questions in her own behalf.

Hearings recessed subject to the call and will meet again on Wednesday, June 30, 2010.

### INTELLIGENCE

*Select Committee on Intelligence:* Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee recessed subject to the call.

## House of Representatives

### Chamber Action

**Public Bills and Resolutions Introduced:** 19 public bills, H.R. 5622–5640; and 5 resolutions, H. Con. Res. 291; and H. Res. 1484–1486, 1488 were introduced. **Pages H4973–74**

**Additional Cosponsors:** **Pages H4974–75**

**Report Filed:** A report was filed today as follows:

H. Res. 1487, waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes (H. Rept. 111–516).

Conference report to accompany H.R. 1473, to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes (H. Rept. 111–517). **Pages H4973, continued next issue.**

**Speaker:** Read a letter from the Speaker wherein she appointed Representative Edwards (MD) to act as Speaker pro tempore for today. **Page H4907**

**Recess:** The House recessed at 9:35 a.m. and reconvened at 10:30 a.m. **Page H4908**

**Chaplain:** The prayer was offered by the Guest Chaplain, Reverend Dr. Paul Powell, First Baptist Church, Tyler, Texas. **Page H4908**

**Journal:** The House agreed to the Speaker's approval of the Journal by a yeas-and-nays vote of 219 yeas to 175 yeas with 1 voting "present", Roll No. 395.

**Pages H4908–09**

**Moment of Silence:** The House observed a moment of silence in memory of the late Senator Robert C. Byrd of West Virginia. **Page H4909**

**Suspensions—Proceedings Resumed:** The House agreed to suspend the rules and agree to the following measures which were debated on Monday, June 28th:

***Congratulating the Chicago Blackhawks on winning the 2010 Stanley Cup Championship:*** H. Res. 1439, to congratulate the Chicago Blackhawks on winning the 2010 Stanley Cup Championship, by a 2/3 yeas-and-nays vote of 395 yeas to 5 yeas with 1 voting "present", Roll No. 396 and **Pages H4909–10**

***Recognizing the National Collegiate Cyber Defense Competition:*** H. Res. 1244, amended, to recognize the National Collegiate Cyber Defense Competition for its now five-year effort to promote cyber security curriculum in institutions of higher learning, by a 2/3 yeas-and-nays vote of 412 yeas to 2 yeas, Roll No. 399. **Page H4942**

**Motion to Adjourn:** Rejected the Broun (GA) motion to adjourn by a yeas-and-nays vote of 23 yeas to 379 yeas, Roll No. 397. **Page H4910**

**Suspensions:** The House agreed to suspend the rules and pass the following measures:

***Providing for the reconsideration and revision of the proposed constitution of the United States Virgin Islands:*** S.J. Res. 33, to provide for the reconsideration and revision of the proposed constitution

of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law; **Pages H4925–27**

**Airport and Airway Extension Act of 2010, Part II:** H.R. 5611, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund and to amend title 49, United States Code, to extend authorizations for the airport improvement program; **Pages H4931–34**

**Firearms Excise Tax Improvement Act of 2010:** H.R. 5552, amended, to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly and to provide for the assessment by the Secretary of the Treasury of certain criminal restitution, by a  $\frac{2}{3}$  yeas-and-nays vote of 412 yeas to 6 nays, Roll No. 400; **Pages H4934–36, H4943–44**

**Homebuyer Assistance and Improvement Act of 2010:** H.R. 5623, amended, to amend the Internal Revenue Code of 1986 to extend the homebuyer tax credit for the purchase of a principal residence before October 1, 2010, in the case of a written binding contract entered into with respect to such principal residence before May 1, 2010, by a  $\frac{2}{3}$  yeas-and-nays vote of 409 yeas to 5 nays, Roll No. 401; and **Pages H4936–39, H4944**

**Recognizing the heroic efforts of the West Virginia National Guard and local responders for their work rescuing 17 individuals from a downed military helicopter:** H. Res. 1153, to recognize the heroic efforts of the West Virginia National Guard and local responders for their work rescuing 17 individuals from a downed military helicopter on a rugged, snow-covered mountain on the Pocahontas-Randolph county line. **Pages H4939–41**

**Suspension—Failed:** The House failed to agree to suspend the rules and pass the following measure:

**Continuing Federal unemployment programs:** H.R. 5618, to continue Federal unemployment programs, by a  $\frac{2}{3}$  yeas-and-nays vote of 261 yeas to 155 nays, Roll No. 398. **Pages H4921–25, H4941–42**

**Moment of Silence:** The House observed a moment of silence in memory of Marvin Esch, former Member of Congress. **Pages H4942–43**

**Suspensions—Proceedings Postponed:** The House debated the following measures under suspension of the rules. Further proceedings were postponed:

**Enabling State homes to furnish nursing home care to parents any of whose children died while serving in the Armed Forces:** H.R. 4505, to enable State homes to furnish nursing home care to parents

any of whose children died while serving in the Armed Forces; **Pages H4916–17**

**Recognizing the residents of the City of Tracy, California, on the occasion of the 100th anniversary of the city's incorporation:** H. Res. 1446, to recognize the residents of the City of Tracy, California, on the occasion of the 100th anniversary of the city's incorporation, for their century of dedicated service to the United States; **Pages H4917–18**

**Honoring the veterans of Helicopter Attack Light Squadron Three and their families:** H. Res. 1228, amended, to honor the veterans of Helicopter Attack Light Squadron Three and their families; **Pages H4918–19**

**Alejandro Renteria Ruiz Department of Veterans Affairs Clinic Designation Act:** H.R. 4307, to name the Department of Veterans Affairs community-based outpatient clinic in Artesia, New Mexico, as the "Alejandro Renteria Ruiz Department of Veterans Affairs Clinic"; **Pages H4919–21**

**Fountainhead Property Land Transfer Act:** 1554, amended, to take certain property in McIntosh County, Oklahoma, into trust for the benefit of the Muscogee (Creek) Nation; **Pages H4927–28**

**Indian Pueblo Cultural Center Clarification Act:** H.R. 4445, amended, to amend Public Law 95–232 to repeal a restriction on treating as Indian country certain lands held in trust for Indian pueblos in New Mexico; **Pages H4927–28**

**Salmon Lake Land Selection Resolution Act:** H.R. 2340, amended, to resolve the claims of the Bering Straits Native Corporation and the State of Alaska to land adjacent to Salmon Lake in the State of Alaska and to provide for the conveyance to the Bering Straits Native Corporation of certain other public land in partial satisfaction of the land entitlement of the Corporation under the Alaska Native Claims Settlement Act; and **Pages H4929–30**

**Recognizing the important role pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week:** H. Res. 1460, to recognize the important role pollinators play in supporting the ecosystem and supporting the goals and ideals of National Pollinator Week. **Pages H4930–31**

**In Memory of the late Honorable Robert C. Byrd, Senator from the State of West Virginia:** The House agreed to H. Res. 1484, expressing the condolences of the House on the death of the Honorable Robert C. Byrd, a Senator from the State of West Virginia. **Pages H4944–49**

**Senate Message:** Message received from the Senate today appears on pages H4908, H4970–71.

**Senate Referral:** S. 3249 was held at the desk.

Page H4908

**Quorum Calls—Votes:** Seven yea-and-nay votes developed during the proceedings of today and appear on pages H4908–09, H4909–10, H4910, H4941–42, H4942, H4943–44 and H4944. There were no quorum calls.

**Adjournment:** The House met at 9:30 a.m. and at 8:31 p.m., pursuant to the provisions of H. Res. 1484, it stands adjourned in memory of the Honorable Robert C. Byrd, Senator from West Virginia.

## Committee Meetings

### COMMERCE, JUSTICE, SCIENCE, AND RELATED AGENCIES APPROPRIATIONS

*Committee on Appropriations:* Subcommittee on Commerce, Justice, Science, and Related Agencies approved for full Committee action the FY 2011 Commerce, Justice, Science, and Related Agencies Appropriations bill.

### DEFENSE LANGUAGE TRANSFORMATION ROADMAP

*Committee on Armed Services:* Subcommittee on Oversight and Investigations held a hearing on Beyond the Defense Language Transformation Roadmap: Bearing the Burden for Today's Education Shortcomings. Testimony was heard from the following officials of the Department of Defense: Nancy Weaver, Director, Defense Language Office, Office of the Under Secretary (Personnel and Readiness); and BG Walter Golden, USA, Director, J–1 Manpower and Personnel, Office of the Chairman, Joint Chiefs of Staff; and Sharon Pickup, Director, Office of Defense Capabilities and Management, GAO.

### WIND FARMS; IMPACT ON MILITARY READINESS

*Committee on Armed Services:* Subcommittee on Readiness held a hearing on Wind Farms: Compatible with Military Readiness? Testimony was heard from the following officials of the Department of Defense: Dorothy Robyn, Deputy Under Secretary, Installations and Environment; and MG Lawrence Stutzriem, USAF, Director, Plans, Policy and Strategy, North American Aerospace Defense Command and U.S. Northern Command; Nancy B. Kalinowski, Vice President, System Operations Services, Air Traffic Organization, FAA, Department of Transportation; and a public witness.

### FEMA'S GRANT PROGRAMS DIRECTORATE

*Committee on Homeland Security:* Subcommittee on Emergency Communications, Preparedness and Response held a hearing entitled "The Future of

FEMA's Grant Programs Directorate." Testimony was heard from the following officials of the Department of Homeland Security: Elizabeth Harman, Assistant Administrator, Grant Programs Directorate, FEMA; and Anne L. Richards, Assistant Inspector General, Audits, Office of the Inspector General; and public witnesses.

### U.S. SECRET SERVICE OPERATIONS

*Committee on the Judiciary:* Subcommittee on Crime, Terrorism, and Homeland Security held a hearing on the Role and Operations of the United States Secret Service. Testimony was heard from Mark Sullivan, Director, U.S. Secret Service, Department of Homeland Security.

### COMBAT ZONE SUBCONTRACTORS

*Committee on Oversight and Government Reform:* Subcommittee on National Security and Foreign Affairs held a hearing entitled "Contracting in Combat Zones: Who Are Our Subcontractors?" Testimony was heard from William Solis, Director, Defense Capabilities and Management, GAO; the following officials of the Department of Defense: Mary Ugone, Deputy Inspector General, Auditing; and Stuart Bowen, Jr., Special Inspector General, Iraq Reconstruction; and a public witness.

### SAME-DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY THE RULES COMMITTEE

*Committee on Rules:* Granted, by a non-record vote, a rule to waive clause 6(a) of rule XIII (requiring a two-thirds vote to consider a rule on the same day it is reported from the Rules Committee) against certain resolutions reported from the Rules Committee. The rule applies the waiver to any resolution reported from the Rules Committee through the legislative day of July 3, 2010, providing for consideration or disposition of any of the following: (1) A conference report to accompany the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes. (2) A measure that includes a subject matter addressed by H.R. 4213 or any amendment pertaining thereto.

The rule authorizes the Speaker to entertain motions that the House suspend the rules at any time through the legislative day of July 3, 2010. The Speaker or her designee shall consult with the Minority Leader or his designee on the designation of any matter for consideration pursuant to this rule. Finally, the rule provides that it shall be in order



without intervention of any point of order to consider concurrent resolutions providing for adjournment during the month of July.

### **POLAR WEATHER SATELLITES EARTH OBSERVATIONS**

*Committee on Science and Technology:* Subcommittee on Investigations and Oversight held a hearing on Setting New Courses for Polar Weather Satellites and Earth Observations. Testimony was heard from Shere Abbott, Associate Director, Energy and Environment Division, Office of Science and Technology Policy; Mary Glackin, Deputy Under Secretary, Oceans and Atmosphere, NOAA, Department of Commerce; Christopher Scolese, Associate Administrator, NASA; Gil Klinger, Director, Space and Intelligence Office, Assistant Secretary, Acquisition, Department of Defense; and David Powner, Director, Information Technology Management Issues, GAO.

### **TWENTY-FIRST CENTURY BIOLOGY**

*Committee on Science and Technology:* Subcommittee on Research and Science Education held a hearing on 21st Century Biology. Testimony was heard from public witnesses.

### **HAZARDOUS LIQUID PIPELINE SAFETY**

*Committee on Transportation and Infrastructure:* Subcommittee on Railroads, Pipelines, and Hazardous Materials held a hearing on the Safety of Hazardous Liquid Pipelines: Regulated vs. Unregulated Pipelines. Testimony was heard from Cynthia Quarterman, Administrator, Pipeline and Hazardous Materials Safety Administration, Department of Transportation; Deborah A. Hersman, Chairman, National Transportation Safety Board; and public witnesses.

### **BRIEFING—CIA ACTIVITIES**

*Permanent Select Committee on Intelligence:* Subcommittee on Terrorism, Human Intelligence, Analysis, and Counterintelligence, and the Subcommittee on Oversight and Investigations met in executive session to receive a joint Briefing on CIA Activities. The Subcommittees were briefed by departmental witnesses.

## ***Joint Meetings***

### **LOCAL ECONOMIES**

*Joint Economic Committee:* Committee concluded a hearing to examine fueling local economies, focusing on research, innovation and jobs, after receiving testimony from Dane Stangler, Ewing Marion Kauffman Foundation, Kansas City, Missouri; Samuel L. Stanley, Jr., Stony Brook University, Stony

Brook, New York; and Zachary J. Shulman, Cornell University Johnson School, Ithaca, New York.

### **RESTORING AMERICAN FINANCIAL STABILITY ACT**

*Conferees* agreed to file a conference report on the differences between the Senate and House passed versions of H.R. 4173, to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices.

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### **NEW PUBLIC LAWS**

(For last listing of Public Laws, see DAILY DIGEST, p. D741)

H.R. 3951, to designate the facility of the United States Postal Service located at 2000 Louisiana Avenue in New Orleans, Louisiana, as the “Roy Rondeno, Sr. Post Office Building”. Signed on June 28, 2010. (Public Law 111–193)

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### **COMMITTEE MEETINGS FOR WEDNESDAY, JUNE 30, 2010**

(Committee meetings are open unless otherwise indicated)

#### **Senate**

*Committee on Agriculture, Nutrition, and Forestry:* to hold hearings to examine farm bill reauthorization, focusing on maintaining our domestic food supply through a strong United States farm policy, 9:30 a.m., SD–G50.

Full Committee, to hold hearings to examine expanding our food and fiber supply through a strong United States farm policy; to be immediately followed by a business meeting to consider the nominations of Elisabeth Ann Hagen, of Virginia, to be Under Secretary for Food Safety, and Catherine E. Woteki, of the District of Columbia, to be Under Secretary for Research, Education, and Economics, both of the Department of Agriculture, and Sara Louise Faivre-Davis, of Texas, Lowell Lee Junkins, of Iowa, and Myles J. Watts, of Montana, all to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation, Farm Credit Administration, 9:30 a.m., SD–G50.

*Committee on Banking, Housing, and Urban Affairs:* Subcommittee on Housing, Transportation and Community Development, to hold hearings to examine green housing for the 21st century, focusing on retrofitting the past and building an energy-efficient future, 10 a.m., SD–562.

*Committee on Commerce, Science, and Transportation:* to hold hearings to examine the Deepwater Horizon tragedy, focusing on holding industry accountable, 10 a.m., SR–253.

*Committee on Energy and Natural Resources:* business meeting to consider S. 3516, to amend the Outer Continental Shelf Lands Act to reform the management of energy and mineral resources on the Outer Continental Shelf, 9:30 a.m., SD-366.

Full Committee, to hold hearings to examine S. 3452, to designate the Valles Caldera National Preserve as a unit of the National Park System, 2:30 p.m., SD-366.

*Committee on Environment and Public Works:* business meeting to consider S. 3305, to amend the Oil Pollution Act of 1990 to require oil polluters to pay the full cost of oil spills, S. 3515, to authorize and enhance the programs of the Department of the Interior relating to the detection of, response to, and mitigation and cleanup of oil spills on Federal land managed by the Department, S. 1311, to amend the Federal Water Pollution Control Act to expand and strengthen cooperative efforts to monitor, restore, and protect the resource productivity, water quality, and marine ecosystems of the Gulf of Mexico, an original bill entitled, "Columbia River Basin Restoration Act of 2010", S. 3073, to amend the Federal Water Pollution Control Act to protect and restore the Great Lakes, S. 3539, to amend the Federal Water Pollution Control Act to establish a grant program to assist in the restoration of San Francisco Bay, H.R. 4715, to amend the Federal Water Pollution Control Act to reauthorize the National Estuary Program, S. 1816, to amend the Federal Water Pollution Control Act to improve and reauthorize the Chesapeake Bay Program, S. 2739, to amend the Federal Water Pollution Control Act to provide for the establishment of the Puget Sound Program Office, S. 3119, to amend and reauthorize certain provisions relating to Long Island Sound restoration and stewardship, S. 3481, to amend the Federal Water Pollution Control Act to clarify Federal responsibility for stormwater pollution, S. 3354, to redesignate the North Mississippi National Wildlife Refuges Complex as the Sam D. Hamilton North Mississippi National Wildlife Refuges Complex, and H.R. 3562, to designate the federally occupied building located at 1220 Echelon Parkway in Jackson, Mississippi, as the "James Chaney, Andrew Goodman, and Michael Schwerner Federal Building", and a proposed resolution relating to the General Services Administration, 9 a.m., SD-406.

*Committee on Finance:* business meeting to consider S.J. Res. 29, approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and the nominations of Francisco J. Sanchez, of Florida, to be Under Secretary of Commerce for International Trade, and Richard Sorian, of New York, to be Assistant Secretary of Health and Human Services, Time to be announced, Room to be announced.

*Committee on Homeland Security and Governmental Affairs:* to hold hearings to examine nuclear terrorism, focusing on strengthening our domestic defenses, part 1, 10 a.m., SD-342.

Ad Hoc Subcommittee on Contracting Oversight, to hold hearings to examine interagency contracts (part II), 2:30 p.m., SD-342.

*Committee on Indian Affairs:* business meeting to consider pending calendar business; to be immediately fol-

lowed by an oversight hearing to examine diabetes in Indian country and beyond, 9:30 a.m., SD-628.

*Committee on the Judiciary:* to continue hearings to examine the nomination of Elena Kagan, of Massachusetts, to be an Associate Justice of the Supreme Court of the United States, 9 a.m., SH-216.

*Special Committee on Aging:* to hold hearings to examine drug waste and disposal, focusing on when prescriptions become poison, 2 p.m., SD-106.

## House

*Committee on Agriculture,* to consider the following bills: H.R. 2476, Ski Area recreational Opportunity Enhancement Act; H.R. 4658, Benton MacKaye Cherokee National Forest Land Consolidation Act; H.R. 5414, To provide for the conveyance of a small parcel of National Forest System land in the Francis Marion National Forest in South Carolina; and H.R. 4645, Travel Restriction Reform and Export Enhancement Act, 2 p.m., 1300 Longworth.

*Committee on Appropriations,* Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, to mark up the FY 2011 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill, 1 p.m., 2362-A Rayburn.

Subcommittee on State, Foreign Operations, and Related Programs, to mark up the FY 2011 State, Foreign Operations, and Related Programs Appropriations bill, 4 p.m., H-140 Capitol.

*Committee on Armed Services,* hearing to review the Army investigation of Arlington National Cemetery, 10:30 a.m., 2118 Rayburn.

*Committee on Energy and Commerce,* Subcommittee on Commerce, Trade, and Consumer Protection, to mark the following bills: H.R. 4501, Guarantee of a Legitimate Deal Act of 2009; H.R. 2480, Truth in Fur Labeling Act of 2009; H.R. 5156, Clean Energy Technology Manufacturing and Export Assistance Act of 2010; and H.R. 1796, Residential Carbon Monoxide Poisoning Prevention Act, and H.R. 4678, Foreign Manufacturer Legal Accountability Act of 2010, 9 a.m., 2123 Rayburn.

Subcommittee on Communications, Technology, and the Internet, to mark up H.R. 3101, Twenty-first Century Communications and Video Accessibility Act of 2009, 2 p.m., 2123 Rayburn.

Subcommittee on Energy and Environment, hearing entitled "Legislation to Respond to the BP Oil Spill and to Prevent Future Oil Well Blowouts," 9:30 a.m., 2322 Rayburn.

*Committee on Homeland Security,* Subcommittee on Transportation Security and Infrastructure Protection, hearing entitled "100% Air Cargo Screening: Remaining Steps to Secure Passenger Aircraft," 2 p.m., 311 Cannon.

*Committee on Natural Resources,* hearing on the Discussion Draft, Amendment in the Nature of a Substitute to H.R. 3534, Consolidated Land, Energy, and Aquatic Resources Act of 2009, 10 a.m., 1324 Longworth.

*Committee on Oversight and Government Reform,* Subcommittee on Federal Workforce, Postal Service, and the

District of Columbia, hearing entitled “Temporary Employees Practices: How Long Does Temporary Last?” 2 p.m., 2154 Rayburn.

*Committee on Small Business*, hearing entitled “Recovery in the Gulf: What the \$20 Billion BP Claims Fund Means for Small Businesses,” 10 a.m., 2360 Rayburn.

*Committee on Transportation and Infrastructure*, Subcommittee on Coast Guard and Maritime Transportation, hearing on Update on Federal Maritime Commission’s Examination of Vessel Capacity, 2 p.m., 2167 Rayburn.

Subcommittee on Highways and Transit, hearing on Utilization and Impacts of Automated Traffic Enforcement, 10 a.m., 2167 Rayburn.

*Committee on Veterans’ Affairs*, Subcommittee on Oversight and Investigations, hearing on Evaluating the U.S. Department of Veterans Affairs Office of General Counsel, 10 a.m., 334 Cannon.

*Permanent Select Committee on Intelligence*, executive, to receive a Briefing on Intelligence Activities, 12 p.m., 304–HVC.

*Next Meeting of the SENATE*

9:30 a.m., Wednesday, June 30

## Senate Chamber

**Program for Wednesday:** After the transaction of any morning business (not to extend beyond two hours), Senate will begin consideration of the nomination of General David H. Petraeus, and after a period of debate, vote on confirmation of the nomination; following which, Senate expects to continue consideration of H.R. 5297, Small Business Lending Fund Act, with rollcall votes expected to occur throughout the day.

*Next Meeting of the HOUSE OF REPRESENTATIVES*

10 a.m., Wednesday, June 30

## House Chamber

**Program for Wednesday:** Consideration of the following suspensions: (1) Senate Amendments to H.R. 3360—Cruise Vessel Security and Safety Act; (2) H. Res. 1321—Expressing the sense of the House of Representatives that the political situation in Thailand be solved peacefully and through democratic means; (3) H. Res. 1412—Congratulating the Government of South Africa upon its first two successful convictions for human trafficking; (4) S. 3104—Permanently authorizing Radio Free Asia; (5) H. Res. 1405—Congratulating the people of the 17 African nations that in 2010 are marking the 50th year of their national independence; and (6) H.R. 5503—Securing Protections for the Injured from Limitations on Liability Act.



## Congressional Record

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